



Loads Limited

Manufacturers of
Automotive Exhaust Systems, Radiators &
Sheet Metal Components

Report to the Shareholders
For 3 months ended September 30, 2017

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Loads Limited

Company Information

Board of Directors

Syed Shahid Ali	– Chairman*
Mr. Saulat Said	– Vice Chairman*
Mr. Munir K. Bana	– Chief Executive
Mr. Najam I. Chaudhri	– Independent Director
Syed Sheharyar Ali	– Non-Executive Director
Mr. Amir Zia	– Non-Executive Director
Mr. M. Ziauddin	– Executive Director
Mr. Shamim A. Siddiqui	– Executive Director

* Chairman and Vice Chairman are Non-Executive Directors

Audit Committee

Mr. Najam I. Chaudhri	– Chairman
Mr. Saulat Said	– Member
Syed Sheharyar Ali	– Member
Mr. Amir Zia	– Member

Human Resources & Remuneration Committee

Syed Sheharyar Ali	– Chairman
Mr. Saulat Said	– Member
Mr. Amir Zia	– Member
Mr. M. Ziauddin	– Member
Mr. Shamim A. Siddiqui	– Member

Chief Financial Officer

Mr. Shamim A. Siddiqui

Company Secretary

Mr. Babar Saleem

Head of Internal Audit

Mr. Khawaja M. Akber

Auditors

KPMG Taseer Hadi & Co., Chartered Accountants

Legal Advisors

Altaf K. Allana & Co., Advocates

Corporate Advisors

Cornelius, Lane & Mufti, Advocates & Solicitors

Symbol

Loads

Exchange

Pakistan Stock Exchange

Bankers

Al Baraka Bank (Pakistan) Limited
Bank Al Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Soneri Bank Limited
United Bank Limited

Subsidiaries

- Specialized Autoparts Industries (Private) Limited
- Multiple Autoparts Industries (Private) Limited
- Specialized Motorcycles (Private) Limited
- Hi-Tech Autoparts (Private) Limited

Registered Office

Plot No. 23, Sector 19
Korangi Industrial Area, Karachi
Tel: +92-21-35065001-5
+92-302-8674683-9
Fax: +92-21-35057453-54
E-mail: inquiry@loads-group.pk

Shares Registrar

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S.
Main Shakra-e-Faisal, Karachi

Tel: Customer Support Services: 0800-23275

Fax: +92-21-34326053

E-mail: info@cdcpak.com

Registration with Authorities

Company Registration Number	0006620
National Tax Number	0944311-8
Sales Tax Number	0205870801264

Website

www.loads-group.pk



DIRECTORS' REPORT TO THE SHAREHOLDERS

The directors are pleased to present their report together with the consolidated accounts of Loads Limited and its subsidiaries for the first quarter ended September 30, 2017.

OPERATING AND FINANCIAL RESULTS (Consolidated)

	Rs in million	
	1st quarter September 30, 2017	1st quarter September 30, 2016
Sales	1,158	1,041
Gross Profit	150	127
Operating Profit	104	89
Profit Before Taxation	109	78
Profit After Taxation	86	63
Earnings per share (EPS) – basic & diluted	0.63	0.76*

*Re-stated

BUSINESS REVIEW

Your group recorded first quarter sales of Rs.1.1 billion, registering an increase of Rs.117 million (+11%), as compared to the previous period, mainly on account of growth in Honda Civic & Suzuki Cultus.

PBT & PAT registered a healthy growth of 40% & 36% respectively, on account of accelerated sales, “mark to market” impact of notional gain on investments held for trading and lower effective tax rate (reflecting tax rebate on listing and tax credit on capital expenditure). However, EPS shows a decline of Re. 0.13 due to the impact of IPO of 50 million shares in November 2016.

AUTOMOTIVE INDUSTRY REVIEW

(a) Passenger Cars / Light Commercial Vehicles (LCVs)

Overall car sales for the first quarter increased over previous year's quarter by 27%, reflecting increase of 56% in Honda and 30% in Suzuki.

(b) Heavy Commercial Vehicles

Heavy vehicles volumes increased from previous period's 1,993 units to 2,446 units, registering an overall increase of 23%. Truck sales increased by 34% whereas buses decreased by 35%.

(c) Tractors

The tractor industry's sales increased by 100% over previous period, registering sales of 15,710 units in 2017 (2016: 7,858 units), reflecting increase of 134% in Al-Ghazi and 93% in Millat.



Loads Limited

COMPANY'S SALES PERFORMANCE

The overall sales of the group increased by 11%. The Company's product-wise performance for the first quarter ended September 30, 2017 as compared with the corresponding period is analyzed below:

Products	Rs. in million		
	Sales		
	First quarter September 2017	First quarter September 2016	+/- %
Exhaust Systems	788	737	7
Radiators	179	151	19
Sheet Metal Components	191	153	25
Total	1,158	1,041	11

Comments on performance of various product groups are given below:

(a) Exhaust Systems

The sales of exhaust systems have shown a growth of 7% mainly due to growth of Honda Civic and Suzuki Cultus.

(b) Radiators

This business has shown significant growth of 19%, due to aggressive aftermarket sales, which has offset the negative impact of dis-continuation of Punjab Taxi scheme.

(c) Sheet Metal Components

This group of over 100 products registered a growth of 25%, mainly due to addition of new components of Honda & Suzuki.

PROSPECTS

The Government continues to impose Regulatory Duty (RD) on raw materials imported by the auto industry. In addition, RD has been levied on import of new cars. While RD on car imports will benefit the local auto industry, RD on raw materials will lead to increases in prices of local cars.

Notwithstanding the above factors, the growth momentum in the auto sector is expected to continue.

The Loads Group will, therefore, continue to invest in expansion and modernization to meet the continued growth in the auto industry.

ACKNOWLEDGEMENTS

The Board wishes to thank all the employees and our customers for their continued support.

By order of the Board

MUNIR K. BANA
Chief Executive

Karachi: October 27, 2017



روپے ملین میں			پراڈکس
سیلز			
+/- %	پہلی سہ ماہی، 30 ستمبر 2016	پہلی سہ ماہی، 30 ستمبر 2017	
7	737	788	ایگزاسٹ سسٹمز
19	151	179	ریڈی ایٹرز
25	153	191	شیٹ میٹل کمپنٹس
11	1,041	1,158	کل

مختلف پراڈکٹ گروپس کی پرفارمنس پر تبصرے مندرجہ ذیل ہیں:

(الف) ایگزاسٹ سسٹمز

ہنڈاسیوک اور سوزوکی کلبس میں اضافی کی وجہ سے ایگزاسٹ سسٹمز کی سیلز میں 7 فیصد اضافہ ہوا۔

(ب) ریڈی ایٹرز

جارحانہ بعد از مارکیٹ سیلز کی وجہ سے اس کاروبار میں 19 فیصد کا خاطر خواہ اضافہ ہوا، جس نے پنجاب ٹیکسی اسکیم کے بند ہونے کی منفی اثر کو زائل کر دیا۔

(ج) شیٹ میٹل کمپنٹس

100 پراڈکٹس کے اس گروپ نے 25 فیصد کا اضافہ دکھایا، اس کی بڑی وجہ ہنڈا اور سوزوکی کے نئے کمپنٹس کو شامل کرنا ہے۔

امکانات

حکومت، آٹو انڈسٹری کی طرف سے درآمد کیے جانے والے خام مال پر مسلسل ریگولیشنری ڈیوٹی (آرڈی) نافذ کر رہی ہے۔ اس کے علاوہ نئی کاروں کی درآمد پر آرڈی نافذ کر

دی گئی ہے۔ اگرچہ کاروں کی درآمد پر آرڈی کے نفاذ سے مقامی آٹو انڈسٹری کو فائدہ ہوگا مگر خام مال پر آرڈی سے مقامی کاروں کی قیمت بڑھ جائے گی۔

مذکورہ بالا عوامل سے قطع نظر، توقع ہے کہ آٹو سیکٹر میں افزائش کی رفتار برقرار رہے گی۔

چنانچہ، لوڈز گروپ آٹو انڈسٹری کی مسلسل افزائش کے تقاضوں کو پورا کرنے کے لیے توسیع اور جدت میں سرمایہ کاری جاری رکھے گا۔

اظہار تشکر

بورڈ مسلسل تعاون پر تمام کارکنوں اور اور اپنے کسٹمرز کا شکریہ ادا کرتا ہے۔

بحکم بورڈ

منیر کے بانا

چیف ایگزیکٹو

کراچی: 27 اکتوبر، 2017



شیئر ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کو لوڈز لمیٹڈ اور اس کے ذیلی اداروں کی 30 ستمبر، 2017 کو ختم ہونے والی سہ ماہی کی رپورٹ مع مربوط حسابات، پیش کرتے ہوئے خوشی ہو رہی ہے۔
آپریٹنگ اور مالیاتی نتائج (مربوط)

روپے بلین میں		
دوسری سہ ماہی - 30 ستمبر 2016	پہلی سہ ماہی - 30 ستمبر، 2017	
1,041	1,158	سیلز
127	150	مجموعی منافع
89	104	آپریٹنگ منافع
78	109	ٹیکس سے پہلے منافع
63	86	ٹیکس کے بعد منافع
0.76*	0.63	آمدنی فی شیئر (ای پی ایس) - بنیادی اور تحلیل شدہ

* دوبارہ بیان کردہ

کاروباری جائزہ

آپ کے گروپ نے پہلی سہ ماہی میں 1.1 بلین روپے کی سیلز ریکارڈ کیں، یہ اس سے پچھلی مدت کے مقابلے میں 117 بلین روپے (+11%) زیادہ ہیں، اس کی بڑی وجہ ہینڈ اسٹیوک اور سوزو کی کلنٹس کی فروخت میں اضافہ ہے۔

تیز رفتار سیلز، ٹریڈنگ کے لیے رکھی ہوئی سرمایہ کاری پر نیشنل گین کے "مارک ٹومارکیٹ" اثرات اور ٹیکس کی کمتر موثر شرح (جو سرمائے کے اخراجات پر لسٹنگ اور ٹیکس کریڈٹ پر ٹیکس ریہیٹ کی عکاسی کرتی ہے) کی وجہ سے پی بی ٹی اور پی ایس ٹی میں بالترتیب 40 فیصد اور 36 فیصد کی صحت مندانہ افزائش ہوئی۔ تاہم، نومبر 2016 میں 50 بلین شیئرز کے آئی پی او کے اثرات کے باعث ای اپی ایس 0.13 روپے کی گراؤٹ کو ظاہر کرتی ہے۔

گاڑی سازی کی صنعت کا جائزہ

(الف) پینچر کاریں / ہلکی کمرشل گاڑیاں (LCVs)

پہلی سہ ماہی میں کاروں کی مجموعی فروخت پچھلے سال کی اسی سہ ماہی کے مقابلے میں 27 فیصد بڑھ گئی، جو ہینڈ میں 56 فیصد اور سوزو کی 30 فیصد اضافے کی عکاسی کرتی ہے۔

(ب) بھاری کمرشل گاڑیاں

بھاری گاڑیوں کی مقدار گزشتہ سال کی اسی مدت کے دوران 1,993 یونٹس سے بڑھ کر 2,446 یونٹس ہو گئی، اس طرح 23 فیصد مجموعی اضافہ ہوا۔ ٹرکوں کی سیلز میں 34 فیصد اضافہ ہوا جبکہ بسوں کی سیلز 35 فیصد کم ہو گئیں۔

(ج) ٹریکٹرز

ٹریکٹرز انڈسٹری کی سیلز میں اسی سال کی پچھلی مدت کے مقابلے میں 100 فیصد اضافہ ہوا، 2017 میں 15,710 یونٹس فروخت ہوئے (2016 میں یہ تعداد 7,858 یونٹس تھی) (یہ اعداد و شمار الغازی کی فروخت میں 134 فیصد اور ملت کی فروخت میں 93 فیصد اضافے کو ظاہر کرتے ہیں۔

کمپنی کی سیلز پرفارمنس

گروپ کی مجموعی سیلز میں 11 فیصد اضافہ ہوا۔ پچھلے سال کی اسی مدت کے مقابلے میں 30 ستمبر، 2017 کو ختم ہونے والی پہلی سہ ماہی کے دوران پیداوار کے لحاظ سے کمپنی کی پرفارمنس کا تجزیہ ذیل میں پیش کیا جا رہا ہے۔



Loads Limited

Condensed Interim Consolidated Balance SheetAs at 30th September 2017

	Note	(Unaudited) 30 September 2017	(Audited) 30 June 2017
(Rupees)			
ASSETS			
Non-current assets			
Property, plant and equipment	5	865,431,660	782,307,297
Intangible assets		1,978,144	2,088,635
Long term investments		695,802,554	639,025,429
Long term loans and receivable		27,386,282	27,386,282
		1,590,598,640	1,450,807,643
Current assets			
Stores and spares		51,301,663	54,094,440
Stock-in-trade		1,238,716,749	1,181,967,494
Trade debts - net		307,655,189	223,972,326
Loans and advances		109,287,425	92,413,727
Deposits, prepayments and other receivables		189,021,310	191,474,809
Current maturity of long term receivables		25,370,717	33,547,375
Taxation - net		135,897,937	175,784,003
Investments		93,924,440	107,436,273
Cash and bank balances		213,667,827	343,121,346
		2,364,843,257	2,403,811,793
Total assets		3,955,441,897	3,854,619,436
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 200,000,000 (30 June 2015: 150,000,000) ordinary shares of Rs.10/- each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital		1,375,000,000	1,375,000,000
Share premium		1,095,352,578	1,095,352,578
Unrealised gain on re-measurement of available for sale investments		17,504,084	33,726,169
Unappropriated profit		984,824,931	898,499,945
		3,472,681,593	3,402,578,692
LIABILITIES			
Non-current liabilities			
Liabilities against assets subject to finance lease		9,693,223	8,935,018
Deferred tax liabilities		77,393,453	85,589,139
Employee benefit-gratuity		287,395	287,395
		87,374,071	94,811,552
Current liabilities			
Current maturity of liabilities against assets subject to finance lease		8,782,456	13,258,088
Short term borrowings		32,839,899	28,395,236
Trade and other payables		351,385,600	313,567,792
Unclaimed dividend		1,395,478	1,420,509
Accrued mark-up on short term borrowings		982,662	587,567
		395,386,233	357,229,192
Total equity and liabilities		3,955,441,897	3,854,619,436

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.


 Chief Executive Officer


 Director



Loads Limited

Condensed Interim Consolidated Profit and Loss Account (Un-audited)

For the three months ended 30 September 2017

	Note	For the three months period ended	
		September 2017	September 2016
(Rupees)			
Revenue		1,158,303,942	1,041,287,437
Cost of sales	7	(1,008,252,651)	(915,003,521)
Gross profit		150,051,291	126,283,916
Administrative and selling expenses		(45,791,075)	(37,171,299)
Operating profit		104,260,216	89,112,617
Other expenses		(6,230,911)	(5,603,898)
Other income		15,992,328	13,061,614
		9,761,417	7,457,716
Financial charges		(7,682,911)	(23,897,284)
Share of profit in associate - net		2,821,150	5,632,913
Profit before taxation		109,159,872	78,305,962
Taxation		(22,834,886)	(15,245,927)
Profit for the period		86,324,986	63,060,035
(Restated)			
Earnings per share - basic and diluted		0.63	0.76

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the three months ended 30 September 2017

	For the three months period ended	
	September 2017	September 2016
	(Rupees)	
Profit for the period	86,324,986	63,060,035
Other comprehensive income		
<i>Items that are or may be reclassified subsequently to profit and loss</i>		
Unrealised gain/loss on re-measurement of available-for-sale investments	(16,222,085)	24,137,924
<i>Items that will not be reclassified to profit and loss</i>		
Re-measurements of defined benefit liability	-	-
Related tax	-	-
Share of loss in associate's defined benefit liability recognized in other comprehensive income	-	-
Total comprehensive income for the period	70,102,901	87,197,959

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Consolidated Cash Flow Statement (Un-audited)

For the three months ended 30 September 2017

	September 2017	September 2016
(Rupees)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	109,159,872	78,305,962
Adjustment for		
Depreciation	22,192,981	21,028,459
Amortisation	110,491	74,799
Mark-up expense	4,265,647	24,219,075
Finance lease charges	329,874	333,431
Share of Profit in associate - net of tax	(2,821,150)	(5,632,913)
Unrealized gain on re-measurement of investment classified as 'at fair value through profit or loss' - at initial recognition	(11,358,995)	(12,749,537)
	121,878,720	105,579,276
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	2,792,777	24,838,126
Stock-in-trade	(56,749,255)	23,268,973
Trade debts	(83,682,863)	(157,035,367)
Loans and advances	(16,873,698)	(5,654,585)
Deposits, prepayments and other receivables	4,370,013	(49,306,654)
Current maturity of long term receivables	8,176,658	-
	(141,966,368)	(163,889,507)
Increase / (decrease) in current liabilities		
Trade and other payables	37,421,007	24,667,701
Unclaimed Dividend	(25,031)	-
Cash generated from / (used in) operations	17,308,456	(33,642,530)
Mark-up paid	(3,901,352)	(24,422,108)
Tax paid	(8,855,494)	(25,439,542)
Net cash used in operating activities	4,551,477	(83,504,180)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(105,317,344)	(36,985,744)
Investments - net	(29,085,147)	-
Net cash (used in) / generated from investing activities	(134,402,491)	(36,985,744)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance against issue of shares - net	-	1,677,244,910
Payment of finance lease liabilities	(4,047,301)	(3,589,605)
Net cash used in financing activities	(4,047,301)	1,673,655,305
Net (decrease)/Increase in cash and cash equivalents	(133,898,315)	1,553,165,381
Cash and cash equivalents at beginning of the period	314,726,110	(1,064,096,136)
Cash and cash equivalents at end of the period	180,827,795	489,069,245

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)

For the three months ended 30 September 2017

	Issued, subscribed and paid up capital	Share premium	Unrealised gain on re- measurement of available for sale investments	Unappropriated profit	Total
	(Rupees)				
Balance as at 01 July 2016	750,000,000	-	23,805,855	844,556,592	1,618,362,447
Total comprehensive income for the period ended 30 September 2016					
Profit for the period	-	-	-	63,060,035	63,060,035
Other comprehensive income					
Unrealised gain on re-measurement of available for sale investments	-	-	24,137,924	-	24,137,924
Re-measurement of defined benefit liability - net	-	-	-	-	-
Share of profit / (loss) in associate's defined benefit liability recognized in other comprehensive income	-	-	-	-	-
	-	-	24,137,924	63,060,035	87,197,959
Transactions with Owners					
Balance as at 30 September 2016	750,000,000	-	47,943,779	907,616,627	1,705,560,406
Balance as at 01 July 2017	1,375,000,000	1,095,352,578	33,726,169	898,499,945	3,402,578,692
Total comprehensive income for the period ended 30 September 2017					
Profit for the period	-	-	-	86,324,986	86,324,986
Other comprehensive income					
Unrealised gain on re-measurement of available for sale investments	-	-	(16,222,085)	-	(16,222,085)
Re-measurement of defined benefit liability - net	-	-	-	-	-
Share of profit / (loss) in associate's defined benefit liability recognized in other comprehensive income	-	-	-	-	-
	-	-	(16,222,085)	86,324,986	70,102,901
Transactions with Owners					
	-	-	-	-	-
Balance as at 30 September 2017	1,375,000,000	1,095,352,578	17,504,084	984,824,931	3,472,681,593

The annexed notes 1 to 10 form an integral part of the condensed interim consolidated financial information.


 Chief Executive Officer


 Director

**Notes to the Condensed Interim Consolidated Financial Information (Un-audited)**

For the three months ended 30 September 2017

1. STATUS AND NATURE OF BUSINESS

- 1.1** Loads Limited (“the Parent Company”) was incorporated in Pakistan on 1 January 1979 as a private limited company. On 19 December 1993, the Parent Company was converted to unlisted public limited company and subsequently on 1 November 2016, the shares of the Parent Company were listed on Pakistan Stock Exchange Limited. The registered office of the Parent Company is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi.
- 1.2** There are four wholly owned subsidiaries and one associate (Treet Corporation Limited). The details are as follows:

Name of the Company	Incorporation date	Principle line of business
Specialized Autoparts Industries (Private) Limited (SAIL)	2 June 2004	Manufacture and sell components for the automotive industry.
Multiple Autoparts Industries (Private) Limited (MAIL)	14 May 2004	Manufacture and sell components for the automotive industry.
Specialized Motorcycles (Private) Limited (SMPL)	28 September 2004	Acquire, deal in, purchase, import, sales, supply and export motorcycles and auto parts.
Hi-Tech Autoparts (Private) Limited (Hi-Tech)	13 January 2017	Manufacture modern autoparts, dies, moulds, and fabrication of different products. Hi-Tech has yet to commence its operations

- 1.3** The operations of the subsidiary company, SMPL have ceased from 1 July 2015. Accordingly, the financial statements of SMPL were not prepared on going concern basis. Therefore, all assets and liabilities of SMPL have been classified as current and assets are measured at lower of their carrying amounts and fair value less cost to sell.

2. BASIS OF PREPARATION

The condensed interim consolidated financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and provisions of and directives issued under the Companies Ordinance, 1984 has been followed. This condensed interim consolidated information is unaudited and is being submitted to shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with annual financial statements as at and for the year ended 30 June 2017.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim consolidated financial information are the same as those applied in the preparation of the consolidated financial statements as at and for the year ended 30 June 2017.

4. ESTIMATES

The preparation of condensed Interim consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2017.

**Notes to the Condensed Interim Consolidated Financial Information (Un-audited)**

For the three months ended 30 September 2017

5. PROPERTY, PLANT AND EQUIPMENT

	Note	30 September 2017	30 June 2017
(Rupees)			
Operating property, plant and equipment		827,178,814	672,497,844
Capital work-in-progress		38,252,846	109,809,453
		<u>865,431,660</u>	<u>782,307,297</u>

6. CONTINGENCIES AND COMMITMENTS

There are no significant changes in the contingent liabilities and commitments since the last audited published financial statements.

7. COST OF SALES

	30 September 2017	30 September 2016
Raw materials and components consumed	793,998,218	743,123,370
Ancillary materials consumed	26,855,888	21,138,336
Salaries, wages and other employee benefits	105,456,925	91,895,260
Subcontracting costs	28,042,563	5,562,787
Depreciation	20,377,614	19,182,208
Gas, power and water	10,874,589	11,082,216
Others	20,414,980	12,407,175
Manufacturing cost	<u>1,006,020,777</u>	904,391,352
Opening stock of work-in-process	140,014,359	142,503,010
Closing stock of work-in-process	(125,347,126)	(90,883,378)
	14,667,233	51,619,632
Opening stock of finished goods	110,143,067	66,570,963
Closing stock of finished goods	(122,578,426)	(107,578,426)
	(12,435,359)	(41,007,463)
	<u>1,008,252,651</u>	<u>915,003,521</u>

8. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies and other companies with common directorship, employees retirement benefit funds and key management personnel. Transactions with related parties are at terms determined in accordance with the agreed rates. Transactions and balances with related parties, other than those disclosed elsewhere in these financial statements, are disclosed below:

	30 September 2017	30 June 2017
(Rupees)		
Receivable from / (payable to) provident fund	-	6,642
Employee benefits - gratuity	(287,395)	(287,395)

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.



Loads Limited

Notes to the Condensed Interim Consolidated Financial Information (Un-audited)

For the three months ended 30 September 2017

9. DATE OF AUTHORIZATION

This un-audited condensed interim consolidated financial information was authorized for issue by the Board Of Directors on 27 October 2017.

10. GENERAL

10.1 The directors in their meeting held on 25 September 2017 have recommended final dividend of Re 1 per share (30 June 2016: Re. 1 per share) in respect of year ended 30 June 2017 and have announced issue of bonus shares at the rate 10% (30 June 2016: 10%). Bonus shares will not be entitled to cash dividend.

10.2 The amounts have been rounded off to nearest rupee.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Unconsolidated Balance SheetAs at 30th September 2017

	Note	(Unaudited) 30 September 2017	(Audited) 30 June 2017
(Rupees)			
ASSETS			
Non-current assets			
Property, plant and equipment	5	541,396,137	543,670,690
Intangible assets		1,978,144	2,088,635
Long term investments		1,132,889,442	1,077,885,976
Long term loan and receivable		27,386,282	27,386,282
		1,703,650,005	1,651,031,583
Current assets			
Stores and spares		39,796,891	38,631,402
Stock-in-trade		1,238,716,749	1,181,967,494
Trade debts		307,655,189	223,972,326
Loans and advances		93,899,496	84,750,940
Deposits, prepayments and other receivables		183,242,241	186,635,679
Current maturity of long term receivables		25,370,717	33,547,375
Taxation		126,456,716	162,615,180
Investments		87,054,909	101,421,742
Cash and bank balances		156,102,916	215,971,176
		2,258,295,824	2,229,513,314
Total assets		3,961,945,829	3,880,544,897
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 200,000,000 (30 June 2016: 150,000,000) ordinary shares of Rs.10/- each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital		1,375,000,000	1,375,000,000
Share premium		1,095,352,578	1,095,352,578
Unrealised gain on re-measurement of available for sale investments		17,504,084	35,554,051
Unappropriated profit		696,758,249	637,288,686
		3,184,614,911	3,143,195,315
LIABILITIES			
Non-current liabilities			
Liabilities against assets subject to finance lease		9,693,223	8,935,018
Deferred tax liabilities		37,893,164	44,277,457
Employee benefits - gratuity		287,395	287,395
		47,873,782	53,499,870
Current liabilities			
Current maturity of liabilities against assets subject to finance lease		8,782,456	13,258,088
Short term borrowings		32,840,032	28,395,236
Due to related parties		380,367,680	379,190,363
Trade and other payables		305,088,828	260,997,949
Unclaimed Dividend		1,395,478	1,420,509
Accrued mark-up on short term borrowings		982,662	587,567
		729,457,136	683,849,712
Total equity and liabilities		3,961,945,829	3,880,544,897

CONTINGENCIES AND COMMITMENTS

6

The annexed notes 1 to 10 form an integral part of the condensed interim unconsolidated financial information


 Chief Executive Officer


 Director



Loads Limited

Condensed Interim Unconsolidated Profit and Loss Account (Un-audited)

For the three months period ended 30 September 2017

	Note	For the three months period ended	
		September 2017	September 2016
(Rupees)			
Revenue		1,158,303,942	1,041,287,437
Cost of sales	7	(1,040,861,059)	(937,571,754)
Gross profit		117,442,883	103,715,683
Administrative and selling expenses		(40,436,816)	(32,504,028)
Operating profit		77,006,067	71,211,655
Other expenses		(5,435,423)	(4,220,028)
Other income		13,929,677	12,896,347
		8,494,254	8,676,319
Financial charges		(13,286,839)	(29,723,996)
Profit before taxation		72,213,482	50,163,978
Taxation		(12,743,919)	(8,781,640)
Profit after taxation		59,469,563	41,382,338
(Restated)			
Earnings per share - basic and diluted		0.43	0.50

The annexed notes 1 to 10 form an integral part of the condensed interim unconsolidated financial information.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the three months period ended 30 September 2017

	For the three months period ended	
	September 2017	September 2016
	(Rupees)	
Profit after taxation	59,469,563	41,382,338
Other comprehensive income:		
<i>Items that are or may be reclassified subsequently to profit and loss</i>		
Unrealised gain/(loss) on revaluation of available-for-sale investments	(18,049,967)	24,137,924
<i>Items that will not be reclassified to profit and loss</i>		
Re-measurement of defined benefit liability	-	-
Related tax	-	-
Total comprehensive income for the period	41,419,596	65,520,262

The annexed notes 1 to 10 form an integral part of the condensed interim unconsolidated financial information.

Chief Executive Officer

Director



Loads Limited

Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)

For the three months period ended 30 September 2017

	For the three months period ended	
	September 2017	September 2016
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	72,213,482	50,163,978
Adjustment for		
Depreciation	19,295,237	18,475,214
Amortisation	110,491	74,799
Mark-up expense	12,560,026	22,197,266
Finance lease charges	329,874	333,431
Unrealized loss on re-measurement of investment classified as 'at fair value through profit or loss' - at initial recognition	(11,359,000)	(12,454,200)
	93,150,110	78,790,488
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(1,165,489)	23,931,244
Stock-in-trade	(56,749,255)	23,268,973
Trade debts	(83,682,863)	(157,035,367)
Loans and advances	(9,148,556)	(6,923,675)
Deposits, prepayments and other receivables	5,309,952	(42,980,504)
Current maturity of long term receivables	8,176,658	-
	(137,259,553)	(159,739,329)
Increase / (decrease) in current liabilities		
Due to related parties - net	1,727,317	18,411,839
Unclaimed Dividend	(25,031)	-
Trade and other payables	44,090,879	14,972,511
	45,793,165	33,384,350
<i>Cash used in operations</i>	1,683,722	(47,564,491)
Mark-up paid	(6,559,570)	(18,389,921)
Long term deposits	-	-
Tax paid	(10,737,091)	(15,735,311)
Net cash used in operating activities	(15,612,939)	(81,689,723)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(17,020,684)	(30,530,788)
Investment-net	(27,082,132)	-
Net cash used in investing activities	(44,102,816)	(30,530,788)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(4,047,301)	(3,598,605)
Advance against issue of shares - net	-	1,677,253,910
Loan from subsidiary companies - unsecured	(550,000)	(450,000)
Net cash generated from / (used in) financing activities	(4,597,301)	1,673,205,305
Net (decrease)/Invested in cash and cash equivalents	(64,313,056)	1,560,984,794
Cash and cash equivalents at beginning of the period	187,575,940	(1,076,134,521)
Cash and cash equivalents at end of the period	123,262,884	484,850,273

The annexed notes 1 to 10 form an integral part of the condensed interim unconsolidated financial information.


 Chief Executive Officer


 Director



Loads Limited

Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)For the three months period ended 30th September 2017

	Issued, subscribed and paid up	Share premium	Unrealised gain on re- measurement of available for sale investments	Unappropriated profit	Total
	(Rupees)				
Balance as at 01 July 2016	750,000,000	-	25,633,737	660,191,143	1,435,824,880
Total comprehensive income for the period ended					
30 September 2016					
Profit after taxation	-	-	-	41,382,338	41,382,338
Other comprehensive income					
Unrealised gain on re-measurement of available-for-sale investments	-	-	24,137,924	-	24,137,924
Re-measurement of defined benefit liability - net	-	-	-	-	-
	-	-	24,137,924	41,382,338	65,520,262
Balance as at 30 September 2016	750,000,000	-	49,771,661	701,573,481	1,501,345,142
Balance as at 01 July 2017	1,375,000,000	1,095,352,578	35,554,051	637,288,686	3,143,195,315
Total comprehensive income for the period ended					
30 September 2017					
Profit after taxation	-	-	-	59,469,563	59,469,563
Other comprehensive income					
Unrealised loss on revaluation of available-for-sale investments	-	-	(18,049,967)	-	(18,049,967)
Re-measurement of defined benefit liability - net	-	-	-	-	-
	-	-	(18,049,967)	59,469,563	41,419,596
Transactions with owners	-	-	-	-	-
Balance as at 30 September 2017	1,375,000,000	1,095,352,578	17,504,084	696,758,249	3,184,614,911

The annexed notes 1 to 10 form an integral part of the condensed interim unconsolidated financial information.



Loads Limited

Notes to the Condensed Interim Unconsolidated Financial Information (Un-audited)

For the three months period ended 30 September 2017

1. STATUS AND NATURE OF BUSINESS

1.1 Loads Limited ("the Company") was incorporated in Pakistan on 1 January 1979 as a private limited company. On 19 December 1993, the Company was converted from private limited company to unlisted public limited company and subsequently on 1 November 2016, the shares of the Company were listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Plot No. 23, Sector 19, Korangi Industrial Area, Karachi. This condensed interim financial information has been prepared for the three months period ended 30 September 2017.

2. BASIS OF PREPARATION

The condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and provisions of and directives issued under the Companies Ordinance, 1984 has been followed. This condensed interim information is unaudited and is being submitted to shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with annual financial statements as at and for the year ended 30 June 2017.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial information are the same as those applied in the preparation of the unconsolidated financial statements as at and for the year ended 30 June 2017.

4. ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2017. The provision for taxation for the period has been made on an estimated basis.

5. PROPERTY, PLANT AND EQUIPMENT

	30 September 2017	30 June 2017
	(Rupees)	
Operating property, plant and equipment	505,301,128	512,393,898
Capital work-in-progress	36,095,009	31,276,792
	<u>541,396,137</u>	<u>543,670,690</u>

6. CONTINGENCIES AND COMMITMENTS

There are no significant changes in the contingent liabilities and commitments since the last audited published financial statements.

**Notes to the Condensed Interim Unconsolidated Financial Information (Un-audited)**

For the three months period ended 30 September 2017

7. COST OF SALES

	30 September 2017	30 September 2016
Raw materials and components consumed	793,998,218	743,123,370
Ancillary materials consumed	9,673,100	7,421,068
Salaries, wages and other employee benefits	53,848,962	48,673,860
Subcontracting costs	147,941,128	99,144,948
Depreciation	17,619,359	16,820,408
Gas, power and water	5,007,592	5,597,821
Others	13,688,541	6,178,110
Manufacturing cost	<u>1,041,776,900</u>	926,959,585
Opening stock of work-in-process	140,014,359	142,503,010
Closing stock of work-in-process	<u>(148,098,868)</u>	<u>(90,883,378)</u>
	(8,084,509)	51,619,632
Opening stock of finished goods	110,143,067	66,570,963
Closing stock of finished goods	<u>(102,974,399)</u>	<u>(107,578,426)</u>
	7,168,668	(41,007,463)
	<u>1,040,861,059</u>	<u>937,571,754</u>

8. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiaries, associated company and other companies with common directorship and significant influence, employees retirement benefit funds and key management personnel. Transactions with related parties are at terms determined in accordance with the agreed rates.

Transactions and balances with related parties are disclosed below:

	30 September 2017	30 June 2017
	(Rupees)	
(Due to) / Due from related party - net		
- Specialized Motorcycle (Private) Limited	<u>(65,856,892)</u>	(65,279,917)
- Specialized Autoparts Industries (Private) Limited	<u>(210,861,497)</u>	(214,485,243)
- Multiple Autoparts Industries (Private) Limited	<u>(106,967,226)</u>	(102,736,672)
- HiTech Autoparts Industries (Private) Limited	<u>3,317,935</u>	3,317,935



Loads Limited

Notes to the Condensed Interim Unconsolidated Financial Information (Un-audited)

For the three months period ended 30 September 2017

	For the three months period ended	
	30 September 2017	30 September 2016
	(Rupees)	
Sub-contracting work from:		
- Specialized Autoparts Industries (Private) Limited	84,599,071	69,165,695
- Multiple Autoparts Industries (Private) Limited	36,849,013	25,817,794
Payments made during the period (net):		
- Specialized Autoparts Industries (Private) Limited	92,473,102	82,302,820
- Multiple Autoparts Industries (Private) Limited	35,951,273	27,142,418
Mark-up charged by subsidiary companies	5,605,361	5,827,312

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

9. DATE OF AUTHORIZATION

This un-audited condensed interim financial information was authorized for issue by the Board Of Directors on October 27 , 2017.

10. GENERAL

10.1 The directors in their meeting held on 25 September 2017 have recommended final dividend of Re 1 per share (30 June 2016: Re. 1 per share) in respect of year ended 30 June 2017 and have announced issue of bonus shares at the rate 10% (30 June 2016: 10%). Bonus shares will not be entitled to cash dividend.

10.2 The amounts have been rounded off to nearest rupee.

Chief Executive Officer

Director



Loads Limited

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