Content

1. Company Overview
2. Financial Highlights
3. Strategic and Operational Developments
4. Questions & Answers
OUR HISTORY

- Established in 1957 as a joint venture between the Ali Group of Pakistan and Akerlund & Rausing of Sweden, to convert paper and paperboard into packaging for consumer industry.

- First packaging company in Pakistan

- Over the years, Packages Limited has grown through expansion and joint ventures to become Pakistan’s leading manufacturers of packaging and tissue products

- Head office and manufacturing facility in Lahore, Pakistan
OUR HISTORY

1957

1968

1981

1982

1986

1993

1994

1998

Established Pulp & Paper Mill
Listed on Stock Exchange

JV with A&R Sweden for Folding Carton Packaging

Started Tissue Production
Rose Petal Launched

JV with Tetra Pak for Pakistan

Established Flexible Packaging Plant in Lahore

JV with Mitsubishi Corp for Tri-Pack Films

JV with DIC for DIC Pakistan

JV with Print Care Sri Lanka for Packages Lanka
OUR HISTORY

- **2001**: Expansion of Pulp & Paper Mill to 100k tons per annum
- **2005**: New Board Mill with capacity of 400k tons per annum
- **2014**: Commenced construction of Packages Mall
- **2015**: Acquisition of majority shareholding in FPC South Africa
- **2016**: JV with Omya Group Switzerland for Omya Pack
OUR MANAGEMENT
OUR BUSINESS UNITS

Total Sales
PKR 17B

Consumer Products
23%

Flexible Packaging
52%

Folding Cartons
25%

Nine months ended September 30, 2019

Our Packaging Business

Local Customers
30%

International Customers
70%

Local Customers
30%

International Customers
70%

Creating a better tomorrow
FOLDING CARTONS

High quality detailed graphics in Offset and Rotogravure printing

Produce a wide range of products for tobacco, pharma, FMCG, personal care and food industries

Folding Cartons Business Segments

General Packaging, 47%

Tobacco, 53%
FOLDING CARTONS - PRODUCTS

Location | Lahore, Pakistan
First operation | 1957
Total Area | 100,000 sq ft
Board conversion (2018) | 29,000 tons
HARDWARE OFFSET LINE

OFFSET PRINTING
- KBA Rapida 106- 7 color + 2 coater 2018
- KBA Rapida 106- 7 color + 2 coater 2016
- KBA Rapida 106- 6 color + 1 coater 2014

CUTTING, CREASING & HOT FOIL STAMPING
- Bobst Vision Cut 106 LE 2018
  - Bobst Novacut 2015
  - Bobst Expertcut 106 PE 2013
  - Bobst peria 102 2010
  - Bobst Evoline 102 E Plus 2005

FOLDING, GLUING & WINDOW PATCHING
- Bobst – Expert Fold 110 A2 2018
  - WP - window patching 2015
  - Bobst Ambition 2015
  - Bobst (media 100) 2003
  - Bobst (media 68) Flame Sealing 1996

CUP MAKING
- Weyhmuller 2007
- Weyhmuller 2004
- Weyhmuller 1994
- Weyhmuller 1990
**HARDWARE ROTOGRAVURE LINE**

- **LEMANIC 820 (7 COLOURS + 2 Print Stations - commissioning under process)**
  - Year of installation 2000
  - Option to add one printing unit
  - Flat bed cutting & creasing
  - Rotary embossing
  - 200m/minute
  - 130 mn HL / month

- **RIVIERA 670 (7 COLOURS + 3 Print Stations with UV capability - commissioning under process)**
  - Year of installation 2007
  - Option to add three printing units
  - Rotary cutting, creasing & embossing
  - 275m/minute
  - 170mn HL / month
FLEXIBLE PACKAGING - PAKISTAN

High quality detailed graphics in Flexographic and Rotogravure printing

Produce lamination for plastic films, aluminium foil and paper

CREATE BUSINESS SEGMENTS

- Soaps, Detergents & Personal Care: 22%
- Tea & Beverages: 5%
- Confectionery: 3%
- Biscuits & Snacks: 12%
- Dairy & Ice Cream: 27%
- Foods & Culinary: 11%
- Oil & Ghee: 14%
- Others: 6%

OUR CUSTOMERS

- Frito Lay
- Nestle
- Unilever
- rb
- ENGRO FOODS
- Dalda
- P&G
PRODUCT SEGMENTS – PAKISTAN MARKET

- Dairy Products
- Home & personal care
- Ice cream cones
- Snacks
- Ready Meals
- Instant drinks
- Labels
- Detergents
Flexographic Printing
Rotogravure Printing
Blown Film Extrusion
Adhesive & Extrusion Lamination
Slitting Operations
Ice Cream Cone Sleeves Operations
Bagging Operations
QA Control Function
ACCREDIATIONS & CERTIFICATIONS
CONSUMER PRODUCTS

Pakistan’s only tissue manufacturing with a capacity of **100 ton per day**

Produce **facial tissues, toilet rolls, napkins, party packs, kitchen rolls, paper cups and plates**

### OUR MARKET SHARE

- **Packages**: 61%
- **Rest of the Market**: 39%

### OUR BRANDS

- **ROSE PETAL**
- **Tulip**

### OUR BUSINESS SEGMENTS

- **Branded**, 74%
- **B2B**, 16%
- **Others**, 10%
OUR PORTFOLIO

✓ Facial
✓ Toilet Rolls
✓ Party Pack
✓ Paper Towels
✓ Napkins
✓ Pocket Packs
✓ Wet Wipes
✓ Paper Cups
✓ Paper Plates
BACKWARD INTEGRATION

State of the art manufacturing & conversion facility

Capital Investment to stay ahead of the market

In House R&D leading to market agility

HIGHEST RETAIL REACH IN THE CATEGORY

Reach up to **210** towns
Urban & Rural

**55,000**
Retail Outlets

Automated Sales System
Innovation & Renovation - 2019

Products launched

18 GSM Single Ply Table & Coffee Napkins for McDonalds

Tissue Napkins

Launched, Feb 2019

Change in Perforation Size to give ease to customer

ZZOOP Pick a Size

Launched, March, 2019

Renovation Luxury Facial into 3 Ply Ultra Soft

Luxury Facial Product

Launched, July 2019

Relives stuffy noses

Lotionised Menthol Pack

Launched, August 2019

Creating a better tomorrow
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## Financial Highlights

### Financial Performance for the Nine months ended September 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Rupees in million)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales from Operations</td>
<td>15,498</td>
<td>17,045</td>
<td>10%</td>
</tr>
<tr>
<td>EBITDA – Operations</td>
<td>1,698</td>
<td>2,140</td>
<td>26%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>(543)</td>
<td>(596)</td>
<td></td>
</tr>
<tr>
<td>EBIT – Operations</td>
<td>1,155</td>
<td>1,544</td>
<td>34%</td>
</tr>
<tr>
<td>Impairment charged on investment</td>
<td>-</td>
<td>(500)</td>
<td>100%</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(350)</td>
<td>(741)</td>
<td>2.12 times</td>
</tr>
<tr>
<td>Other operating (expenses) / income – net</td>
<td>(49)</td>
<td>(10)</td>
<td>(80)%</td>
</tr>
<tr>
<td>Investment income</td>
<td>2,715</td>
<td>1,812</td>
<td>(33)%</td>
</tr>
<tr>
<td>Earnings before tax</td>
<td>3,471</td>
<td>2,105</td>
<td>(39)%</td>
</tr>
<tr>
<td>Taxation</td>
<td>(669)</td>
<td>(686)</td>
<td></td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>2,802</td>
<td>1,419</td>
<td>(49)%</td>
</tr>
<tr>
<td>EPS – Rupees</td>
<td>30.43</td>
<td>15.88</td>
<td></td>
</tr>
</tbody>
</table>
Financial Highlights

Net Sales - PKR Million

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>16,025</td>
<td>16,839</td>
<td>17,894</td>
<td>20,700</td>
<td>17,045</td>
</tr>
</tbody>
</table>

* Represents 9-months figure till Sep 2019.

EBITDA - PKR Million

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,497</td>
<td>2,427</td>
<td>2,277</td>
<td>1,769</td>
<td>2,140</td>
</tr>
</tbody>
</table>

Investment Income - PKR Million

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,618</td>
<td>6,472</td>
<td>6,274</td>
<td>3,029</td>
<td>1,812</td>
</tr>
</tbody>
</table>

Earnings per Share - PKR

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>37</td>
<td>63</td>
<td>69</td>
<td>30</td>
<td>16</td>
</tr>
</tbody>
</table>

* Represents 9-months figure till Sep 2019.
Financial Highlights

Debt / Equity Ratio %

<table>
<thead>
<tr>
<th>Year</th>
<th>Equity</th>
<th>Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>8</td>
<td>92</td>
</tr>
<tr>
<td>2016</td>
<td>7</td>
<td>93</td>
</tr>
<tr>
<td>2017</td>
<td>5</td>
<td>95</td>
</tr>
<tr>
<td>2018</td>
<td>4</td>
<td>96</td>
</tr>
<tr>
<td>Sep-19</td>
<td>7</td>
<td>93</td>
</tr>
</tbody>
</table>

Working Capital - PKR Million

<table>
<thead>
<tr>
<th>Year</th>
<th>Working Capital</th>
<th>% age to sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,300</td>
<td>13%</td>
</tr>
<tr>
<td>2016</td>
<td>2,729</td>
<td>14%</td>
</tr>
<tr>
<td>2017</td>
<td>2,662</td>
<td>15%</td>
</tr>
<tr>
<td>2018</td>
<td>3,674</td>
<td>18%</td>
</tr>
<tr>
<td>Sep-19</td>
<td>5,000</td>
<td>22%</td>
</tr>
</tbody>
</table>

Dividend per Share (PKR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per share</th>
<th>Payout ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>15</td>
<td>40%</td>
</tr>
<tr>
<td>2016</td>
<td>25</td>
<td>40%</td>
</tr>
<tr>
<td>2017</td>
<td>30</td>
<td>43%</td>
</tr>
<tr>
<td>2018</td>
<td>15</td>
<td>51%</td>
</tr>
</tbody>
</table>

Share Price Vs KSE-100 Index

<table>
<thead>
<tr>
<th>Year</th>
<th>KSE -100 Index</th>
<th>Packages Share Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>32,816</td>
<td>582</td>
</tr>
<tr>
<td>2016</td>
<td>47,807</td>
<td>850</td>
</tr>
<tr>
<td>2017</td>
<td>40,471</td>
<td>510</td>
</tr>
<tr>
<td>2018</td>
<td>37,067</td>
<td>387</td>
</tr>
<tr>
<td>Sep-19</td>
<td>32,079</td>
<td>299</td>
</tr>
</tbody>
</table>
OUR INVESTMENT PORTFOLIO

Investments held by Packages Limited
- Listed
  - IGI Holdings Limited
  - Nestle Pakistan Limited
  - Tri-Pack Films Limited
- Unlisted
  - Packages Real Estate (Pvt) Limited
  - DIC Pakistan Limited
  - Packages Lanka (Pvt) Ltd
  - Anemone Holding Limited
  - Bulleh Shah Packaging (Pvt) Ltd
  - Coca-Cola Beverages Pakistan Ltd
  - OmyaPack (Pvt) Ltd
DIC PAKISTAN

55% Joint Venture
DIC GLOBAL

OUR PRODUCTS

- ROTOGRAVURE INKS
- FLEXOGRAPHIC INKS
- SHEET FED OFFSET INKS

NET SALES (19 Vs 18)
Rs.3.8B Vs Rs. 3.2B

PAT (19 Vs 18)
Rs.244M Vs Rs. 202M

18% ↑
21% ↑

Nine months ended Sept 30, 2019
Creating a better tomorrow

PACKAGES REAL ESTATE

Packages Mall

- 75.16% Subsidiary
- Inaugurated: 2017
- Area: 1.3M sqft
- >200 Shops

**RENTAL (19 Vs 18)**
Rs.2.7B Vs Rs. 2.4B
12.5%↑

**EBIT (19 Vs 18)**
Rs.936M Vs Rs.606M
54%↑

* Nine months ended Sept 30, 2019
BULLEH SHAH PACKAGING

100% Subsidiary

**OUR PRODUCTS**

- Corrugated Cartons
- Paper
- Board

### Our Products

- **Paper & Board**
  - Karachi: 240,000 tons
  - Kasur: 240,000 tons

- **Corrugated Packaging**
  - Karachi: 100,000 tons

**NET SALES (19 Vs 18)**

- Rs.19B Vs Rs. 17B
  - 12% ↑

**EBIT (19 Vs 18)**

- Rs.538M Vs Rs. 36M

Nine months ended Sept 30
TRI-PACK FILMS

Nine months ended Sept 30

NET SALES (19 Vs 18)
Rs.10.6B Vs Rs. 9.8B
8%↑

EBIT (19 Vs 18)
Rs.514M Vs Rs. 575M
11%↓

33%
Associate

Our Products

- Transparent Lamination Grade
- Metallizable Heat Sealable CPP Film
- Metallized Heat Sealable CPP Film
- White Opaque Heat Sealable CPP Film
- Transparent Barrier Film

- Plain Film
- Composite
- Cigarette Grade
- Pearledized
- Metalized
FLEXIBLE PACKAGES CONVERTORS – SOUTH AFRICA

55%
Subsidiary through a SPV in Mauritius

NET SALES (19 Vs 18)
USD 27.4M Vs USD 30.2M
10% ↓

EBIT (19 Vs 18)
USD 1M Vs USD 1.6M
60% ↓

Nine months ended Sept 30

OUR HARDWARE & PRODUCTS

▪ 6 Coex extrusion machines
▪ 2 Monolayer extrusion
▪ 2 printing machines upto 10 colors
▪ 1 printing machines upto 8 colors
▪ Shrink Film
▪ Bread Bags
▪ Refuse Bags
▪ Sugar Film
▪ Milk Film
PACKAGES LANKA – SRI LANKA

79.09%
Subsidiary

NET SALES (19 Vs 18)

SLR 1.7B Vs SLR 1.8B

PBT -19
SLR 15M

Nine months ended Sept 30

OUR HARDWARE & PRODUCTS

- Coex Extrusion
- Roto graphic Printing
- Lamination
- Slitting & Bag Making
- Tea Bags
- Biscuits & Snacks
- Confectionary
- Detergents
- Dairy
OMYA PACK PAKISTAN

Started Operations in 2018

50% Joint Venture OMYA SWITZERLAND

OUR PRODUCTS

Calcium Carbonate
Dry Process
Wet Process
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Strategic & Operational Developments

Corporate Reorganisation

Name of Company: Packages Limited.

Date of Report: 25 April 2019

Name of Company as specified in its Memorandum: Packages Limited.


Contact information: Tel: [021-35874047-49, 021-35378650-51]. Fax: [021-3586025]

Disclosure of inside information by listed company:

The Board of directors of Packages Limited (Packages) has evaluated and approved structure of internal restructuring/reorganization of various businesses of the Company in its meeting held on April 24, 2019 with an objective to create a holding company. The proposed arrangement will help in developing operating synergies across businesses, managing operations in a focused manner and streamlining the ownership structure. This is in line with international practices being followed in the corporate world.

In this regard, it has been decided that Packages will incorporate two wholly owned subsidiaries and transfer (subject to regulatory compliance): (a) its manufacturing businesses including folding cartons, flexible packaging, consumer products and mechanical fabrication & roll covers along with all relevant assets, operations and corresponding liabilities into a separate 100% wholly owned subsidiary (the Converting Business); and (b) its investment business comprising shares of various companies, operations along with corresponding liabilities, if any, into another 100% wholly owned subsidiary (the Investment Business) against issue of shares by such wholly owned subsidiaries in favor of Packages (collectively the Proposed Transfer). The proposed restructuring shall not affect the rights of the shareholders of Packages.

Packages will be a holding company and all assets, properties and liabilities other than assets, operations and corresponding liabilities being transferred to wholly owned subsidiaries as part of Converting Business and Investment Business will remain with Packages.

The Proposed Transfer has been approved by the Board of Directors of Packages Limited in its meeting held on 24 April 2019, subject to procuring all applicable regulatory, corporate and third party approvals and execution of relevant documents/agreements between Packages and the relevant subsidiaries.

Pursuant to the requirements of the Securities Act, 2015, the Company has duly caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorized.
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Questions & Answers