



# PACKAGES LIMITED

Corporate Briefing Session

May 29, 2020

*Creating a better tomorrow*

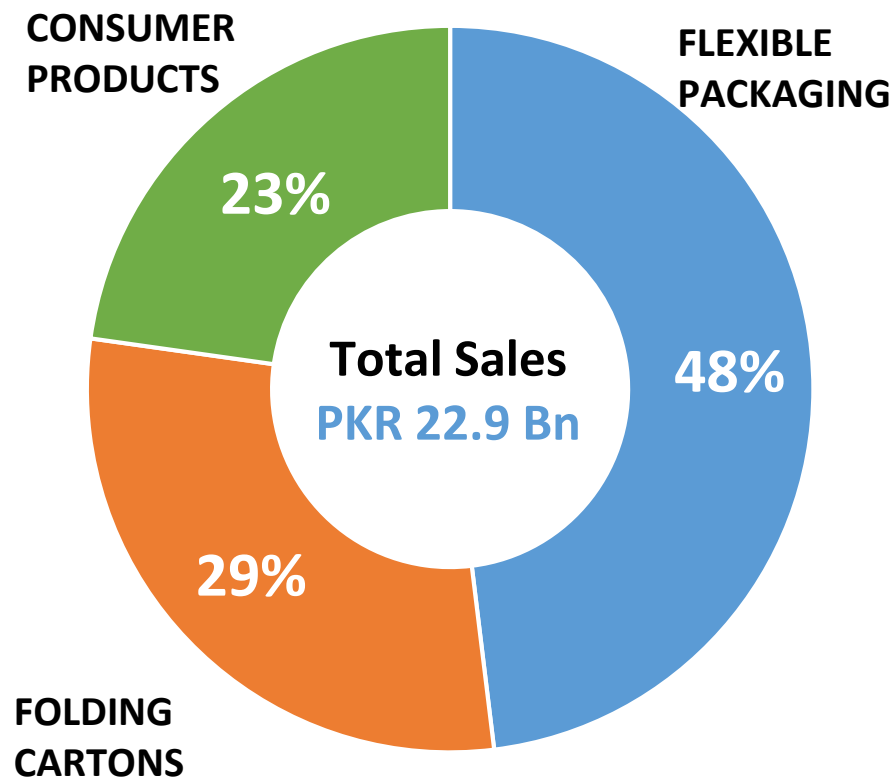


# Content

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



# OUR BUSINESS UNITS



## Our Packaging Business

Local  
Customers  
30%



International  
Customers  
70%



# 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**

## OUR CUSTOMERS



## OUR BUSINESS SEGMENTS

General  
Packaging,  
59%



Tobacco,  
41%





# FOLDING CARTONS - PRODUCTS

Location	Lahore, Pakistan
First operation	1957
Total Area	100,000 sq ft
Board conversion (2018)	26,000 tons





# FLEXIBLE PACKAGING - PAKISTAN

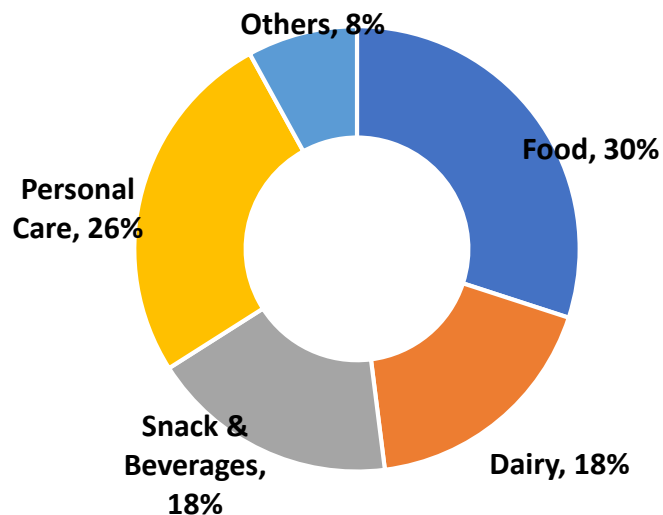
High quality detailed graphics in **Flexographic** and **Rotogravure** printing

Produce lamination for **plastic films, aluminium foil** and **paper**

## OUR CUSTOMERS



## OUR BUSINESS SEGMENTS





# PRODUCT SEGMENTS – PAKISTAN MARKET

Dairy Products



Home & personal care



Ice cream cones



Snacks



Ready Meals



Instant drinks



Labels



Detergents







# ACCREDITATIONS & CERTIFICATIONS



**FSC CoC**  
The mark of  
responsible forestry  
FSC® C015865



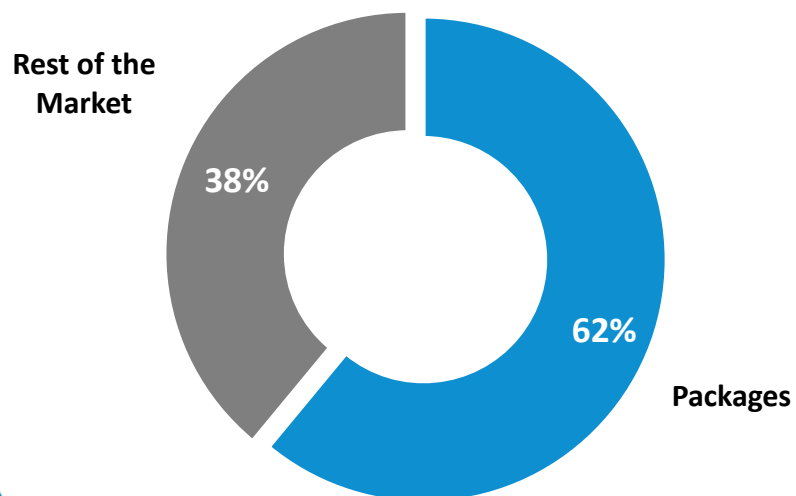


# CONSUMER PRODUCTS

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

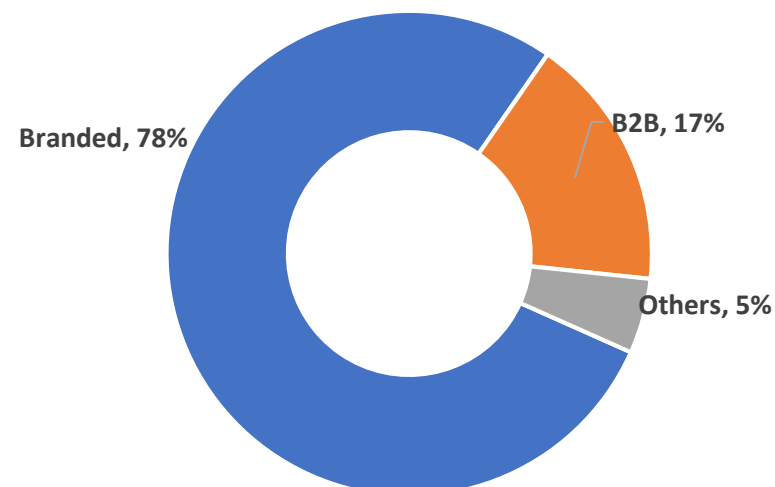


## OUR BRANDS

*ROSE  
PETAL*  
*Tulip*



## OUR BUSINESS SEGMENTS





# 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 **288** town  
Urban & Rural



**60,000**

Retail Outlets

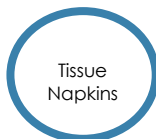
Automated Sales  
System





# Innovation & Renovation -2019

**18 GSM  
Single Ply  
Table &  
Coffee  
Napkins for  
McDonalds**



**Launched, Feb  
2019**

**Change in  
Perforation Size to  
give ease to  
customer**



**Launched, March  
2019**

**Renovation  
Luxury Facial into  
3 Ply Ultra Soft**



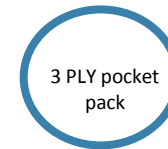
**Launched,  
July 2019**

**Relives stuffy  
noses**



**Launched, August  
2019**

**Renovation of  
pocket pack**



**Launched,  
December 2019**





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# Financial Highlights

	Financial Year		% Change
	2019	2018	
	(Rupees in million)		
<b>Net Sales from Operations</b>	<b>22,916</b>	<b>20,699</b>	<b>11%</b>
<b>EBITDA- operations</b>	<b>2,720</b>	<b>1,769</b>	<b>54%</b>
Depreciation & amortization	(830)	(755)	
<b>EBIT – operations</b>	<b>1,890</b>	<b>1,014</b>	<b>86%</b>
Finance costs	(1,056)	(525)	<b>101%</b>
Other operating income / (expenses) – net	73	(73)	<b>200%</b>
Investment income	1,934	3,029	<b>36%</b>
Impairment charged on investment	(676)	-	
<b>Earnings before tax</b>	<b>2,165</b>	<b>3,445</b>	<b>37%</b>
Taxation	(819)	(709)	<b>16%</b>
<b>Earnings after tax</b>	<b>1,346</b>	<b>2,736</b>	<b>51%</b>
<b>Basic Earnings per share – Rupees</b>	<b>15.06</b>	<b>29.69</b>	



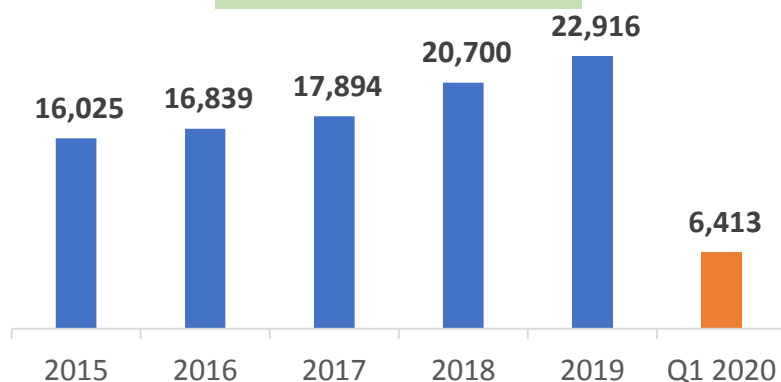
## Financial Highlights

	Quarter Ended		
	Q1 2020	Q1 2019	% Change
	(Rupees in million)		
<b>Net Sales from Operations</b>	<b>6,413</b>	<b>5,772</b>	<b>11%</b>
<b>EBITDA- operations</b>	<b>889</b>	<b>752</b>	<b>18%</b>
Depreciation & amortization	(222)	(200)	
<b>EBIT – operations</b>	<b>667</b>	<b>552</b>	<b>21%</b>
Finance costs	(301)	(206)	<b>46%</b>
Other operating (expenses) – net	(46)	(41)	<b>12%</b>
Investment income	-	1,096	
<b>Earnings before tax</b>	<b>320</b>	<b>1,401</b>	<b>77%</b>
Taxation	(121)	(324)	<b>63%</b>
<b>Earnings after tax</b>	<b>199</b>	<b>1,077</b>	<b>82%</b>
<b>Basic Earnings per share – Rupees</b>	<b>2.22</b>	<b>12.04</b>	

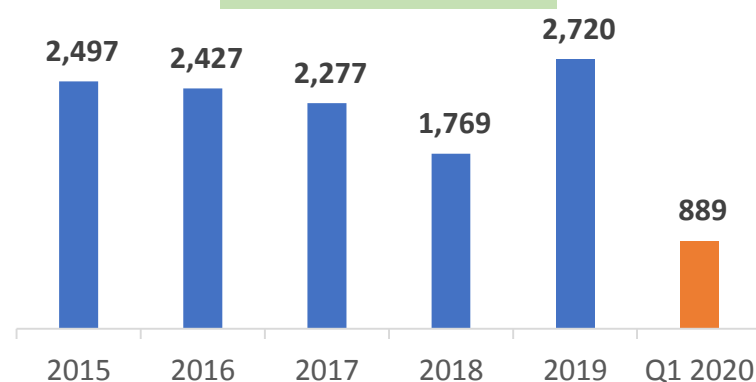


## Financial Highlights

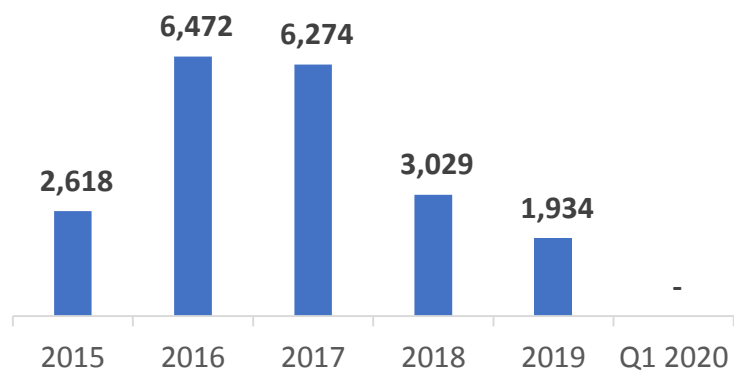
Net Sales - PKR Million



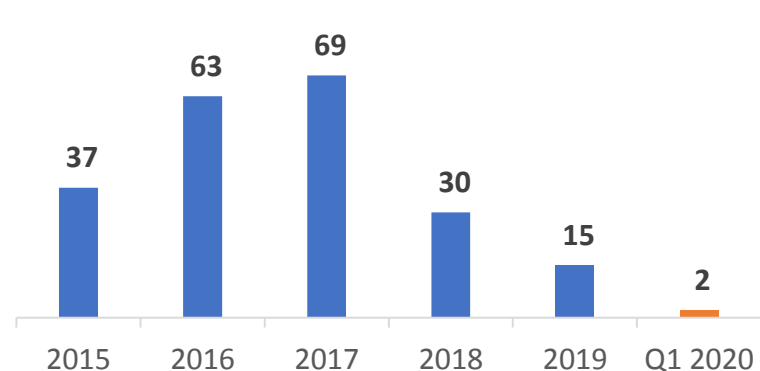
EBITDA - PKR Million



Investment Income - PKR Million



Earnings per share - PKR

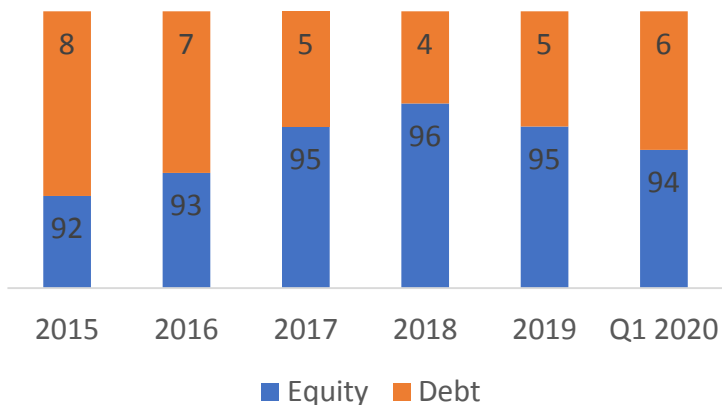




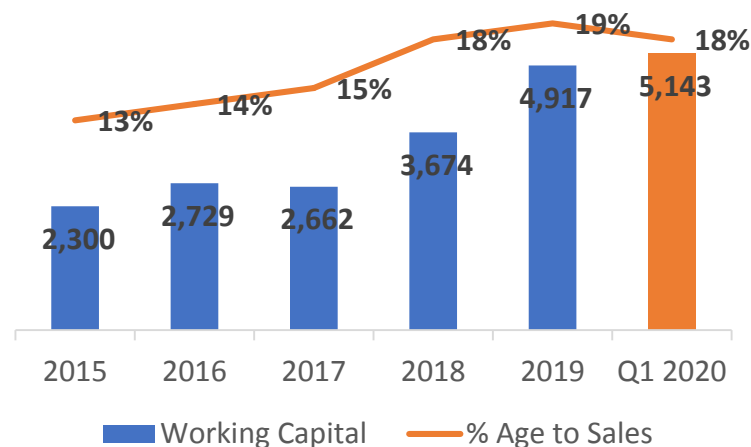


# Financial Highlights

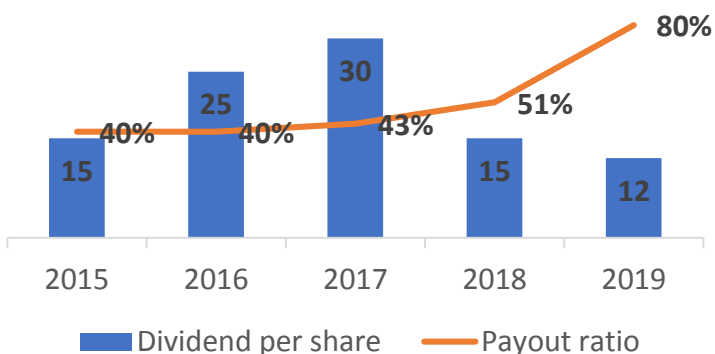
Debt / Equity Ratio %



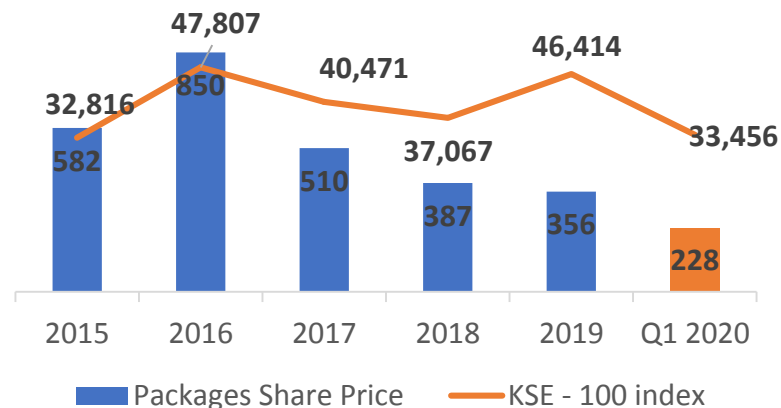
Working Capital - PKR Million



Dividend per Share (PKR)

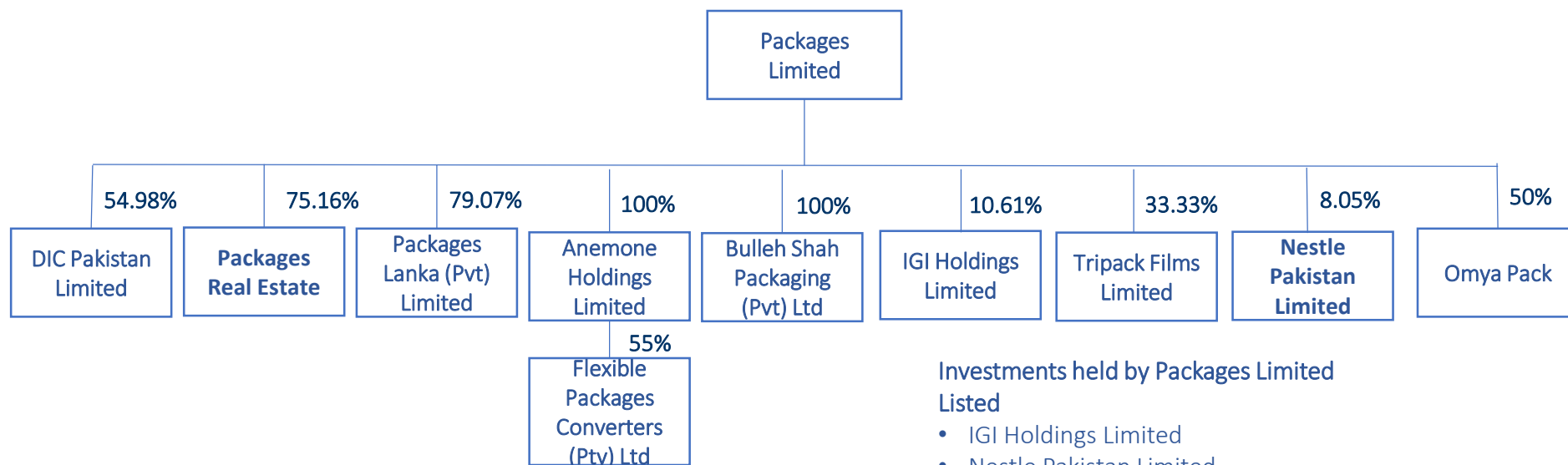


Share Price Vs KSE-100 Index





# 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**

NET SALES (19 Vs 18)  
**Rs 5.2B Vs Rs 4.4B**

**18% ↑**

EBIT (19 Vs 18)  
**Rs 679M Vs Rs 515M**

**32% ↑**

## OUR PRODUCTS

### ROTOGRAVURE INKS



### FLEXOGRAPHIC INKS



### SHEET FED OFFSET INKS





# BULLEH SHAH PACKAGING



**100%**  
Subsidiary

NET SALES (19 Vs 18)  
**Rs 26B Vs Rs 22B**  
**18% ↑**

EBIT (19 Vs 18)  
**Rs 1.2B Vs Rs 0.1B**

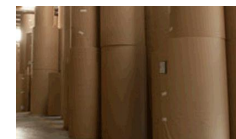
## OUR PRODUCTS



**CORRUGATED  
CARTONS**



**PAPER**



**BOARD**

## Bulleh Shah Packaging

Corrugated Packaging  
100,000 tons

Paper & Board  
240,000 tons

Karachi

Kasur





# TRI-PACK FILMS



**33%**  
Associate

NET SALES (19 Vs 18)  
**Rs 14.7B Vs Rs 13.2B**

**11% ↑**

EBIT (19 Vs 18)  
**Rs 702M Vs Rs 689M**

**2% ↑**

## OUR PRODUCTS



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



- Plain Film
- Composite
- Cigarette Grade
- Pearlized
- Metalized



# FLEXIBLE PACKAGES CONVERTORS – SOUTH AFRICA



55%  
Subsidiary

NET SALES (19 Vs 18)  
ZAR 542M Vs ZAR 535M

1% ↑

EBIT (19 Vs 18)  
ZAR 24M Vs ZAR 31M

23% ↓

## 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)**  
**LKR 2.3B Vs LKR 2.4B**

**EBIT (19 Vs 18)**  
**LKR 108M VS LKR 198M**

**45% ↓**

## 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



# PACKAGES REAL ESTATE



Packages Mall

**75.16%**  
Subsidiary

RENTAL (19 Vs 18)  
**Rs 2B Vs Rs 1.9B**

**5%** ↑

EBIT (19 Vs 18)  
**Rs 1.2B Vs Rs 0.7B**

**71%** ↑



Inaugurated  
**2017**

Area  
**1.3M sqft**

**>200**  
Shops







# IMPACT OF COVID-19 ON PACKAGES MALL OPERATIONS

COVID-19 lockdown has caused disruptions/ closure of the tenant businesses and receipt of trade debts. Accordingly, Packages Real Estate (Private) Limited has announced a rent-free period along-with reduction in maintenance charges effective March 22, 2020



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Sec/49/2020

Karachi  
March 13, 2020

# Strategic & Operational Developments

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

Commissioner  
Company Law Division  
Securities & Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue, Blue Area,  
Islamabad

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

Dear Sirs,

**RE: Proposed Restructuring of Packages Limited**

This is with reference to our letter No.Sec/142/2019 and disclosure dated April 25, 2019 regarding proposed transfer of: (a) manufacturing businesses including folding cartons, flexible packaging, consumer products and mechanical fabrication & roll covers along with all relevant assets, operations and corresponding liabilities (the **Converting Business**) into 100% wholly owned subsidiary (Packages Convertors Limited); and (b) investments business comprising shares of various companies, operations along with corresponding liabilities, if any, (the **Investment Business**) into another 100% wholly owned subsidiary (Packages Investments Limited) against issue of shares by such wholly owned subsidiaries in favor of Packages.

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Regulation 5.6.1(a) of the Pakistan Stock Exchange Rule Book, we are enclosing herewith a Form disclosing that Packages Convertors Limited and Packages Investments Limited (wholly owned subsidiaries of the Company) have informed that SECP has approved their respective applications for issuance of shares for consideration otherwise than in cash subject to certain conditions. Packages Convertors Limited has informed that they intend to proceed with the transfer of the Converting Business against issuance of shares for consideration otherwise than in cash whereas Packages Investments Limited is currently evaluating different options for the transfer of Investment Business against issuance of shares for consideration otherwise than in cash in the light of approval so granted by SECP. Accordingly, The Board of Directors of the Company, in its meeting held on March 13, 2020, has resolved to consummate transfer of Converting Business to Packages Convertors Limited and to hold the transfer of Investment Business to Packages Investments Limited for the time being and will finalize the way forward in this regard in the best interest of the Company and its shareholders. As mentioned in our earlier announcement letter dated April 25, 2019, this transfer to our wholly owned subsidiary (Packages Convertors Limited) shall not affect the rights of the shareholders of Packages Limited.

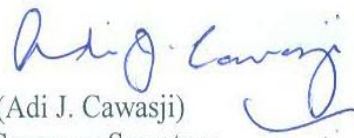


# Strategic & Operational Developments

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The Company will keep you informed of further development in this regard. Should you have any further queries, kindly let us know.

Yours sincerely,  
FOR PACKAGES LIMITED

  
(Adi J. Cawasji)  
Company Secretary



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# Questions & Answers