



# PACKAGES LIMITED

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SEC/102/PKGS

August 15, 2023

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

**Subject: Disclosure of Material Information about Anemone Holdings Limited (wholly owned subsidiary of Packages Limited)**

Dear Sir / Madam,

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1 of the Rule Book issued by the Pakistan Stock Exchange Limited ("PSX"), Packages Limited (the "Company") hereby conveys the following information:

Flexible Packages Convertors (Proprietary) Limited, South Africa ("FPC") is an entity based in South Africa which is principally engaged in the manufacture & sale of flexible packaging material. The Company, through its wholly owned subsidiary, Anemone Holdings Limited, Mauritius, controls 63.5% of the shareholding of FPC. FPC was put under a legally mandated restructuring process to assess its profitability prospects and viability of operations.

A disclosure form as required under S.R.O. 143(1)/2012 dated December 5, 2012, read with Section 96 and Section 131 of the Securities Act, 2015 is also enclosed as Annexure - A hereto.

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

Yours sincerely,

  
**Iqra Sajjad**

Company Secretary



**CC:**

**Director**

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

**Director**

Enforcement Department  
Securities and Exchange  
Commission of Pakistan  
NIC Building, Jinnah Avenue  
Blue Area, Islamabad

**Director**

Securities Market Division  
Securities and Exchange  
Commission of Pakistan  
NIC Building, Jinnah Avenue  
Blue Area, Islamabad

**Executive Director/HOD**

Offsite-II Department  
Supervision Division  
Securities & Exchange Commission  
of Pakistan  
63, NIC Building, Jinnah Avenue  
Blue Area  
Islamabad

PACKAGES FOR EVERY PURPOSE



Head Office, Sales Office & Works :  
SHAHRAH-E-ROOMI, P.O. AMER SIDHU, LAHORE - 54760, PAKISTAN PH : 35811541-46, 35811191-94 CABLE : PACKAGES LAHORE FAX : (042) 35811195

Registered Office & Regional Sales Office :  
4TH FLOOR, THE FORUM, SUITE # 416-422, G-20, BLOCK 9, KHAYABAN-E-JAMI, CLIFTON, KARACHI-75600, PAKISTAN. PH : 35874047-49, 35378650-51, 35831618, 35833011 FAX: (021) 35860251

Regional Sales Office :  
G. D. ARCADE, 2ND FLOOR, 73E FAZAL-UL-HAQ ROAD, BLUE AREA, ISLAMABAD-44000, PAKISTAN PH : 2348307-09, 2348306 FAX : (051) 2348310



**DISCLOSURE FORM**  
**IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015**

Name of Company	Packages Limited
Date of Report	15 August 2023
Name of Company as specified in the Memorandum of Association	Packages Limited
Company's Registered Office	4 <sup>th</sup> Floor, The Forum, Suite # 416-422, G-20, Block 9 Khayaban-e-Jami, Clifton Karachi - 75600
Contact Information	Tel: (021) 35860252

**Disclosure of material information by listed company in terms of Section 96 and 131:**

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1 of the Rule Book issued by the Pakistan Stock Exchange Limited ("PSX"), Packages Limited (the Company) hereby conveys the following information:

Flexible Packages Convertors (Proprietary) Limited, South Africa ('FPC') is an entity based in South Africa which is principally engaged in the manufacture & sale of flexible packaging material. Packages Limited, through its wholly owned subsidiary, Anemone Holdings Limited, Mauritius ('AHL'), controls 63.5% of the shareholding of FPC.

FPC recorded an unaudited loss before tax of ZAR 99 million in 2022 which tightened its already constrained working capital. As also disclosed in note 19.1.1 of the audited unconsolidated financial statements of the Company for the year ended December 31, 2022; the deteriorating financial performance and tough economic conditions coupled with low sales to key customers, unfavorable product mix and higher than anticipated variable and fixed costs furthered the cash burden on the working capital of FPC which started restraining the production capacity. Resultantly, Packages Limited carried out an estimate of the recoverable amount of the net assets and determined it to be lower than the carrying amount, therefore, an impairment loss of PKR 687 million was recognized in the unconsolidated financial statements for the year ended December 31, 2022.

During the six months period ended June 30, 2023, FPC recorded a further unaudited loss before tax of ZAR 38 million which coupled with the capping of outflow of remittances outside Pakistan on account of national economic scenario and hence non-remittance of investment proceeds to FPC, pushed it into further financial distress. Consequently, FPC was put under a legally mandated restructuring process to assess its profitability prospects and viability of operations. This restructuring assessment has been completed recently whereby the legally appointed Business Rescue Practitioner ('BRP') ascertained that FPC is unable to meet its liabilities towards creditors.

The BRP, in accordance with the applicable laws called for a meeting of the creditors to evaluate either to liquidate FPC or sell it as a going concern to repay outstanding creditors. The BRP has notified that the creditors have collectively voted in favor of the sale to a third party to partly settle their outstanding debts, subject to applicable regulatory approvals. Accordingly, the Company expects to recognize an additional loss of PKR 1,202 million in its financials for the half year ended 30 June 2023. However, the consolidated earnings of the Group will improve going forward due to the absence of the loss-making arm.

For and on behalf of  
**PACKAGES LIMITED**

**Iqra Sajjad**  
Company Secretary



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