PACKAGES LIMITED

FAX # 111 573 329

Sec/90/2015

Karachi
6 March 2015

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

Dear Sir,

NOTICE OF ANNUAL GENERAL MEETING

We append herewith a Notice of Annual General Meeting of Packages Limited for your information. This Notice is being published in the press on Tuesday, 10 March 2015.

Best regards.

Yours sincerely,
For PACKAGES LIMITED

Adi J. Cawasji

(Adi J. Cawasji)
Company Secretary

Encl: As above.

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 60^{th} Annual General Meeting of Packages Limited will be held on Thursday, April 16, 2015 at 10.30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi to transact the following businesses :-

A. ORDINARY BUSINESS

1. To confirm the Minutes of the 59^{th} Annual General Meeting of the Company held on April 3, 2014.

2. To receive and adopt the Audited Accounts of the Company for the year ended December 31, 2014 together with the Directors' and Auditors' Reports thereon.

3. To consider and approve the payment of cash dividend for the year ended December 31, 2014 as recommended by the Board of Directors -

    a) to the preference share/convertible stock holder (International Finance Corporation) at the rate of Rs. 19.00 (10%) per preference share/convertible stock of Rs. 190 in terms of the Subscription Agreement between Packages Limited and International Finance Corporation; and

    b) to the ordinary shareholders at the rate of Rs. 9.00 (90%) per ordinary share of Rs. 10.

4. To appoint Auditors for the year 2015 and to fix their remuneration.

B. SPECIAL BUSINESS

5. To consider, and if thought fit, authorize the Board of Directors to license and/or lease the Company's land measuring 76.15 Kanals and the access road and parking situated at Mouza Amer Sidhu, Lahore (the **"Project Land"**) to Packages Construction (Private) Limited (**"PCL"**).

By Order of the Board

Adi J. Cawasji
Company Secretary

Notes :

1. **CLOSURE OF SHARE TRANSFER BOOKS:**

   The Share Transfer Books of the Company will remain closed from April 9, 2015 to April 16, 2015 (both days inclusive). Transfers received in order at the office of the Company's Registrars, Messrs FAMCO ASSOCIATES (PVT.) LIMITED, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400 by close of business on April 8, 2015 will be treated in time for payment of the final dividend to the transferees.

2. **PARTICIPATION IN THE ANNUAL GENERAL MEETING:**

   All members entitled to attend and vote at the Meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company. A corporate entity, being a member, may appoint any person, regardless whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form. The proxy holders are requested to produce their national CNICs or original passports at the time of the Meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi-75600 at least 48 hours before the time of the Meeting.

3. **NOTICE TO SHAREHOLDERS WHO HAVE NOT PROVIDED THEIR CNICs:**

As directed by the SECP through its Circular No.EMD/D-II/Misc/2009-1342 dated April 4, 2013, dividend warrants cannot be issued without valid CNICs. All shareholders holding physical shares who have not submitted their valid CNICs are requested to send attested copies of their valid CNICs along with their folio numbers to the Company's Shares Registrar. In the absence of a shareholder's valid CNIC, the Company will be constrained to withhold dispatch of dividend to such shareholders.

4. **INFORMATION FOR THE SHAREHOLDERS IN TERMS OF CIRCULAR NO.19/2014 DATED OCTOBER 24, 2014 OF THE SECP:**

(i) The Government of Pakistan through Finance Act, 2014 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

(a) For filers of income tax returns: 10%
(b) For non-filers of income tax returns: 15%

To enable the Company to make tax deduction on the amount of cash dividend @10% instead of 15%, all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend i.e. May 5, 2015 otherwise tax on their cash dividend will be deducted @15% instead @10%.

(ii) For any query/problem/information, the investors may contact the company and/or the Share Registrar at the following phone numbers or email addresses:-

Contact persons:

Mr. S.M. Munawar Moosvi	Mr. Ovais Khan
Tel. # 92 21 35831618 / 35831664 / 35833011	Tel. # 92 21 34380101-2
Email: munawar.moosvi@packages.com.pk	Email: ceo@famco.com.pk

(iii) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or its Share Registrar i.e. Messrs FAMCO ASSOCIATES (PVT.) LIMITED. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

5. **PAYMENT OF DIVIDEND ELECTRONICALLY (E-MANDATE):**

In order to enable a more efficient method of cash dividend, through its Circular No.8(4) SM/CDC 2008 of April 5, 2013, the SECP has announced an e-dividend mechanism where shareholders can get their dividend credited directly into their respective bank accounts electronically by authorizing the Company to do so. Accordingly, all non-CDC shareholders are requested to send their bank account details to the Company's Registrar. Shareholders who hold shares with CDC or Participants/Stock Brokers, are advised to provide the mandate to CDC or their Participants/Stock Brokers.

6. **AUDITED FINANCIAL STATEMENTS THROUGH E-MAIL:**

SECP through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the members of the Company through email. Therefore, all members who wish to receive the soft copy of Annual Report are requested to send their email addresses. The consent form for electronic transmission can be downloaded from the Company's website: **www.packages.com.pk.**

The Company shall, however, provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.

The Company shall place the financial statements and reports on the Company's website: **www.packages.com.pk** at least twenty one (21) days prior to the date of the Annual General Meeting in terms of SRO 634(I)/2014 dated July 10, 2014 issued by the SECP.

7. **CHANGE OF ADDRESS AND NON-DEDUCTION OF ZAKAT DECLARATION FORM:**

Physical shareholders are requested to notify any change in their addresses immediately and if applicable provide their non-deduction of Zakat Declaration Form to the Company's Shares Registrar, Messrs FAMCO ASSOCIATES (PVT.) LIMITED. Furthermore, if not provided earlier, members holding shares in CDC/Participants accounts are also requested to update their addresses and if applicable, to provide their non-deduction of Zakat Declaration Form to CDC or their Participants/Stock Brokers.

8. **GUIDELINES FOR CDC ACCOUNT HOLDERS:**

CDC account holders will have to follow the guidelines with respect to attending the Meeting and appointing of Proxies as issued by the Securities and Exchange Commission of Pakistan through its Circular 1 of January 26, 2000.

9. Form of proxy is attached in the Annual Report and should be witnessed by two persons whose names, addresses and CNIC Numbers are mentioned on the forms.

STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE, 1984 REGARDING THE SPECIAL BUSINESS

This statement is being furnished in terms of the requirement under Section 160(1)(b) of the Companies Ordinance, 1984, read with SECP's S.R.O 1227(1)/2005 dated December 12, 2005 and sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of Packages Limited (the **"Company"**) to be held on April 23, 2015.

Item No.5 of Agenda: License/Lease of Company's land measuring 76.15 Kanals and the access road and parking situated at Mouza Amer Sidhu, Lahore (the **"Project Land"**) to Packages Construction (Private) Limited (**"PCL"**).

The Board of Directors had earlier approved establishment of a real estate development project under the name and style "Packages Mall" (the **"Mall"**) pursuant to Board Resolutions dated May 3, 2014 and August 21, 2014 and had decided that the Mall would be constructed, owned and operated by PCL, a wholly-owned subsidiary, on the Project Land.

In the Board meeting of the Company held on February 25, 2015, the Directors resolved to license and/or lease the Project Land to PCL, subject to all necessary corporate and regulatory approvals. Approval of the shareholders is being sought under Section 196 (3) (a) of the Companies Ordinance.

Particulars of the Project Land are as follows:

Description	:	Land measuring 76.15 Kanals, and the access road and parking situated at Mouza Amer Sidhu, Lahore
Cost as at December 31, 2014	:	Rs. 3,488,314/-
Book value as at December 31, 2014	:	Rs. 3,488,314/-
Current market/ fair price value as at December 31, 2014	:	Rs.1.143 billion

Proposed Rent/Fee: 2% of license/rental income excluding taxes per annum commencing from the date of commercial operations of the Mall.

The aforementioned transaction would allow the Company to continue to focus on its main business activities while at the same time diversifying its business exposure through its subsidiary. Development of the Mall in a separate company would also allow the Company to obtain equity support from strategic investors which would be limited to the Mall and not involve the other business ventures of the Company. The Company is expected to benefit from the revenue generated from the rent / fee for the Project Land as well as dividend income from its shareholding in PCL.

For the purposes of the above, it is proposed to consider and if thought fit, pass the following Ordinary Resolution, with or without modification:-

RESOLVED that the Board of Directors are hereby authorized under Section 196 (3)(a) of the Companies Ordinance, 1984 to license and/or lease the Company's land measuring 76.15 Kanals and the access road and parking situated at Mouza Amer Sidhu, Lahore (the **"Project Land"**) to Packages Construction (Private) Limited (**"PCL"**), on the following terms:

(i) PCL shall have the right to develop, construct and own the Mall on the Project Land, and to further sub-license and/or sub-lease the shops, retail outlets and other commercial spaces in the Mall to the proposed tenants/licensees.

(ii) In case the Project Land is initially licensed to PCL, PCL will have a right to convert the license to a lease. The license/ lease shall be for an initial term of 30 (Thirty) years renewable for at least two further terms of 30 (Thirty) years each. These can be further extended.

(iii) The Mall shall be transferred to the Company on the final expiry of the license and/or lease of the Project Land if not renewed at a value determined by an independent valuator.

(iv) PCL shall pay a fee/rent of 2% as a percentage of its license/ rental income excluding taxes per annum commencing from the date of commercial operations of the Mall.