



PACKAGES LIMITED

FAX # 111 573 329

Sec/153/2009

Karachi
24 March 2009

The Manager
Karachi Stock Exchange
(Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

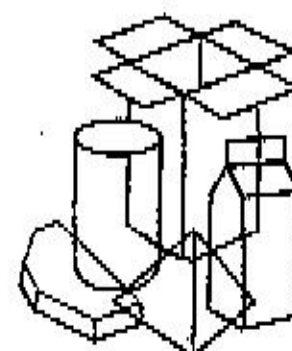
Dear Sir,

The Board of Directors of Packages Limited ("Company") in its meeting held on 20 March 2009 at Karachi at 2:30 P.M. has resolved to issue cumulative convertible preference shares of the value of the Rupee equivalent of US\$50 Million at a subscription price of Rs. 190 per share to International Finance Corporation ("IFC") of Washington, USA, subject to the grant of all corporate and regulatory approvals. This represents approximately 20% of the Company's shares on a fully diluted basis immediately following the investment.

The preference dividend rate is agreed at 10% per annum in PKR terms and is cumulative and deferrable up to year 2013. Thereafter it shall be paid each year till IFC exercises its right to convert the preference shares into common shares of the Company. If the aggregate amount of common dividend distribution (X) is larger than the amount for the common shareholders to reach the same level of IFC's preferred dividend for the same year (Y), IFC will share the difference between X and Y pari passu with the common shareholders on an as-converted basis. The said convertible preference shares will have no voting rights. The conversion ratio shall be 1:1, i.e. one 1 common share for one 1 preferred share. The Company may, if offered by IFC, buy-back the IFC convertible preference shares in cash instead of converting them into common shares.

In order to issue the said convertible preference shares, it will be necessary to increase the authorised share capital of the Company by the Rupee equivalent of US\$50 Million (i.e. more than Rs. 4 Billion).

PACKAGES FOR EVERY PURPOSE



Head Office, Sales Office & Works :
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