

Date: 28-04-2017

To,
Muhammad Ghufraan
Deputy General Manager Operations
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi
Pakistan


Sub: Quarterly Progress Report for March 31, 2017

Dear Sir,

Please refer to your letter dated: 29-12-2016 on subject noted above, We are pleased to enclose herewith quarterly progress report of Roshan Packages Limited expansion projects and same of its subsidiary i.e. Roshan Sun Tao Paper Mills (Pvt) Limited.

Please acknowledge.

Regards,


Company Secretary
Muhammad Adil

CC.
Mr. Faisal Nawaz
Joint Director, Capital Issues
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue
Blue Area, Islamabad.



Quarterly Progress Report
On
Implementation of the Projects
For the quarter ended March 31, 2017

ROSHAN PACKAGES LIMITED

Projects Progress Report

1. This Progress Report is being submitted in compliance of the requirement of Securities and Exchange Commission of Pakistan's letter No. SMD/CW/SA/88/07/2016 dated 29 December 2016 and Pakistan Stock Exchange Limited's letter No. GEN-9679 dated 30 December 2016.

2. The following progress has been achieved on the implementation of the expansion projects of the Company and its subsidiary, Roshan Sun Tao Paper Mills (Private) Limited till the end of the reporting period:

Expansion Projects of the Company:

As mentioned in the Prospectus, the following two expansion projects are under implementation. Total estimated cost of both the projects is PKR 2,334,759,914 of which PKR 1,635,747,942 (70% of total cost) have been Incurred till the reporting date.

- A. Corrugation Expansion Project
- B. Flexible Expansion Project
- C. Roshan Sun Tao Paper Mills (Pvt.) Limited

An overview of the above projects is given hereunder along with time line and cost status.

A. Corrugation Expansion Project

1. Plant & Machinery

The Company (RPL) has purchased a new corrugator from BHS which has been successfully installed & commissioned along with its electro mechanical utilities. The BHS corrugator is undergoing test run and the same will expected to be completed in upcoming quarter [please see, ANNEXURE-A].

2. Civil Work

RPL has completed almost 85% civil work of Corrugation expansion project. The production hall for new BHS corrugator has been expanded from front & back side and a new central control room has been built. New Auto bailer area, compressor room and a new canteen for staff is under construction [please see, ANNEXURE-B].

3. Utilities:

Mechanical works is 80% complete. New glue kitchen, HFO boiler, air compressor, water chiller, RO plant and storage tanks have been successfully installed and now are in commissioning process.

Electrical works are complete to the extent of approximately 70%. Electrical connection from WAPDA has been upgraded, new LT panels are installed while HT panels are under installation [please see, ANNEXURE-C].

4. Handling Equipment

New board handling machine from Taiwan Endurance has been successfully installed and New Auto bailer has been received at site and will be operation in upcoming quarter. [please see, ANNEXURE-D].

B. Flexible Expansion Project

1. Plant & Machinery

Machines from the old production hall have been shifted to the new printing hall and converting hall. Machines includes one Printing Machine, one Lamination Machine, Two Slitting Machines, two rewinding machines and a curing room [please see, ANNEXURE-E].

A new WAX Coating machine from UTECO, Italy has been successfully installed and is in test run stage. The acceptance run of wax coating machine is expected in upcoming quarter [please see, ANNEXURE-F]

A new Lamination machine from COMEXI Group of Industries, Spain is in transit.

2. Civil Work

Converting Hall have been completed and will be available for the machines from June and other facilities to be installed [please see, ANNEXURE-G]

3. Utilities

Electrical and mechanical utilities are 86%-87% completed at flexible expansion project. New water chillers, evaporative coolers and compressor for converting hall are installed and under commissioning.

Electric connection along with LT panels & HT panels has been installed.

C. ROSHAN SUN TAO PAPER MILLS (PRIVATE) LIMITED (*Subsidiary*)

Land for the paper mill had been purchased and the boundary wall had been almost built around the land which will be completed in upcoming quarter.

For further construction of the building, the following approvals are under process.

1. Lahore Development Authority
2. Environment Protection Department
3. National Highway Authority
4. Town Planning Officer – Sheikhpura
5. Rachna Drainage Division – Sheikhpura [ANNEXURE-H]

D. Summary of Costs and Capital Expenditures

Particulars	Total Estimated Cost (PKR)	Costs Incurred up to March 31st, 2017 (PKR)
Corrugation Division	932,925,974	581,065,523
Flexible Division	1,401,833,940	1,054,682,419
Grand Total	2,334,759,914	1,635,747,942

E. IPO Proceeds and Utilization

	Rupees
Net Available from IPO proceeds	2,799,732,716
Capital Expenditure incurred	223,628,358
Used in Working Capital	100,000,000
Bridge Financing/ Short term financing paid	322,702,938
	646,331,296
Cash at bank in saving accounts	<u>2,153,401,420</u>


Chief Executive Officer


Company Secretary

ANNEXURES

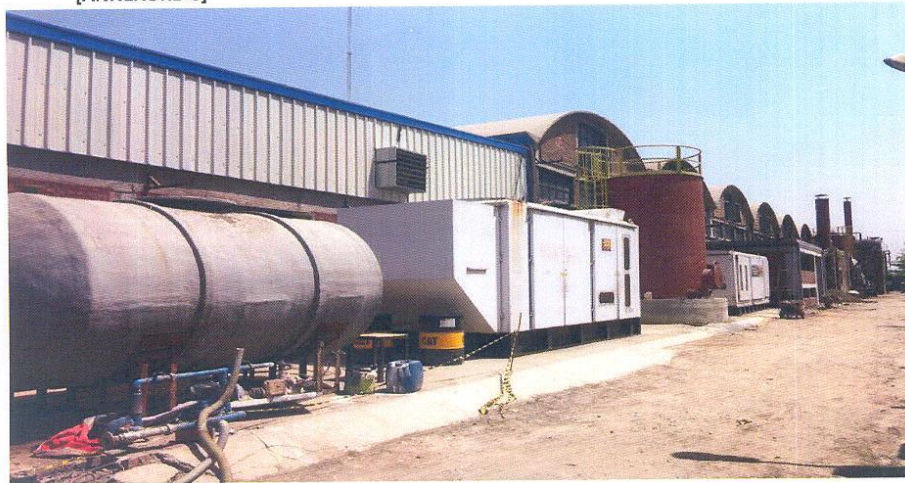
BHS Corrugator
[ANNEXURE-A]



Civil Work – Corrugation Extension
[ANNEXURE-B]



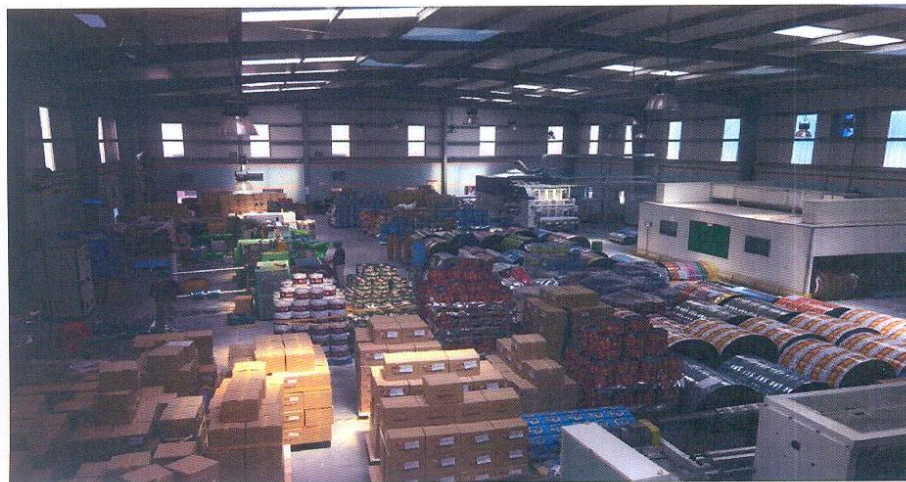
Utilities – Corrugation
[ANNEXURE-C]



Handling Equipment
[ANNEXURE-D]



New Converting Hall – Flexible
[ANNEXURE-E]



Wax Coating Machine
[ANNEXURE-F]



Converting Hall – Flexible
[ANNEXURE-G]



Boundary Wall - Sun Tao Paper Mills
[ANNEXURE-H]



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