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PSX Lists International Packaging Films Ltd. with a Gong Ceremony

Karachi, June 3, 2024 – A gong ceremony was held at Pakistan Stock Exchange (PSX) to celebrate the listing of International Packaging Films Limited (IPAK). IPAK is a company pioneering and specialising in manufacturing of the five-layer Biaxially Oriented Polypropylene (BOPP) films used for the purpose of packaging. Specifically, it can be used for food and beverages packaging, garment bags and bagging overwrap, as well as printing pouching and strip packaging among other types of packaging.

Present at the gong ceremony were Mr. Muhammad Amin, Chairman; Mr. Naveed Godil, CEO; directors and senior management of International Packaging Films Ltd. Mr. Aqeel Karim Dhedhi, Chairman of AKD Group, Mr. Yousaf Bashir, Managing Director Investment Banking at Arif Habib Limited, and Mr. Wajid Hussain, CEO of Intermarket Securities along with their teams were also present at the occasion. Arif Habib Limited and AKD Securities Limited were the Joint Lead Managers/ Consultants to the Issue whereas Intermarket Securities Limited were the Joint Book Runners. The guests were welcomed by the MD & CEO PSX, Mr Farrukh H. Khan and senior management of PSX. The gong ceremony included a felicitating message by the Chairman SECP communicated through a video recording played at the event.

The listing follows the Issue of 70,105,455 ordinary shares or 10.01% of the total post-IPO paid-up capital of IPAK, at face value Rs 10/- each. The method of offering was book building method at a floor price of Rs 21/- per share with a maximum price band of up to 40%, i.e. Rs 29.40 per share. The bids were placed for 100% of the Issue size. However, the successful bidders were provisionally allotted 75% of the Issue size, i.e. 52,579,091 shares, while the remaining 25% of the Issue size, i.e. 17,526,364 shares, were offered to the retail investors.

The book building phase of the Issue generated significant interest from investors with the Issue being oversubscribed by 1.73x by value with a strike price of Rs 25.20 per share being determined. Applications for an amount totalling Rs 2,540 million against the issue size of Rs 1,472 million were received. 224 investors took part in the book building, of which 138 investors became successful participants.

For the public subscription, 2018 applications for 17,566,100 shares amounting to Rs 439,956,120/- were received. The public offering received interest from varied investors from different banks with many investors applying through the PSX E-IPO system as well. The PSX E-IPO system generated interest from investors in the form of 419 applications received for 770,000 shares amounting to Rs. 18,823,200/-.

A total amount of Rs 1,763.977 million was raised from the book building and general public subscription of the Issue. The proceeds raised through the IPO will be utilized for early redemption of the long term finance facility procured by the company to expand its BOPP manufacturing capacity by its subsidiary, Global Packaging Films (Private) Limited, as well as for commissioning a BOPET manufacturing facility under its subsidiary PETPAK Films (Private) Limited.

As a goodwill gesture and to facilitate small investors, the company offered its shares at a discount to the strike price during its public subscription phase. The price for subscribers of 500, 1000, 1500 and 2000 shares was Rs 24/- per share. This step was taken by the company on the specific request made by CEO PSX to encourage retail, individual and small investors to participate in this IPO. This step sets a remarkable and admirable precedent to further augment participation by small investors in the market.

Speaking at the gong ceremony, Mr. Farrukh Khan, MD & CEO PSX, stated, “Pakistan Stock Exchange is proud to enlist another company, International Packaging Films Limited, in its paper & board sector. The company has offered creative and pioneering solutions in the packaging industry and commanded confidence

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from investors in the governance and strategic direction of the company. This was evidenced by the successful book building which was oversubscribed by 1.73 times as well as the public subscription portion of the Issue. I would also like to thank and appreciate International Packaging Films for giving a discount to small retail investors and I urge other companies to follow this example as well to increase and diversify their investor base”.

Mr. Khan further stated, “Given the strong performance of Pakistan’s capital market, this is an opportune time for companies to list on PSX. The capital market has ample liquidity for eligible companies to enlist. The Stock Exchange provides a viable alternative to high cost bank borrowing, attracting a large number of investors and enabling global business & investment outreach for companies that choose to list on the Stock Exchange.”

On the successful holding of the IPO of IPAK, Mr. Naveed Godil, CEO International Packaging Films Limited, stated, “This gong ceremony marks a significant milestone in our journey and serves as a gesture of gratitude to the stakeholders who have been instrumental in our success. It symbolises our appreciation for the collective achievements and efforts that have propelled IPAK to new heights, marking the beginning of a new chapter characterised by continued growth, innovation, and value creation.

I would like to extend my heartfelt thanks to Pakistan Stock Exchange for providing a platform to showcase IPAK's potential and attract valuable investors. Our appreciation goes to the Securities and Exchange Commission of Pakistan (SECP) for their regulatory oversight, ensuring transparency and trust in our operations, and to the Central Depository Company of Pakistan (CDC) for their efficient and secure electronic trading and settlement systems.

A special thank you to our lead managers, book runners, and bankers for their unwavering support and belief in IPAK's vision, which has enabled us to raise capital and expand our operations. We also acknowledge our shareholders for their faith in our capabilities and their contributions to our growth.

As we move forward, I express my deep gratitude to everyone who has been part of our journey. We remain committed to excellence, fulfilling our obligations to shareholders, and driving sustainable growth. IPAK is the largest packaging films company in the country, known for its innovation, quality, and customer satisfaction. We offer a wide range of packaging solutions for various industries, including food and beverages, pharmaceuticals, and personal care”.

In his remarks, Mr. Yousaf Bashir, MD – Investment Banking, Arif Habib Limited, stated, "We are very excited about the incredible response to the IPAK IPO. The strong oversubscription shows the confidence investors have in International Packaging Films Limited and the robust expertise of Arif Habib Limited as a premier financial advisor and book runner".

He added, "This success is attributable to the investor confidence in the strong performance of the company itself which has significantly grown in a short span of seven years and has become the largest packaging film producer in the industry with a 38 percent market share.”

Mr. Farid Alam, CEO of AKD Securities Limited, commented on this significant milestone, stating, “We are delighted with the overwhelming response to the IPAK IPO. The successful oversubscription is a testament to the strong confidence that investors have in International Packaging Films Limited and the robust capabilities of AKD Securities Ltd. as a premier financial advisor and book runner.”

Mr. Alam added, "The IPO's success highlights the growing investor interest in Pakistan's manufacturing

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sector, and we are proud to support IPAK in their journey to becoming a key player in the industry. This achievement not only reflects our commitment to delivering exceptional results for our clients but also introduces well reputed companies to the Stock Markets.”

The gong ceremony was followed by distribution of tombstones to the representatives of participating banks, CTIs, and others as well as to PSX and SECP representatives.