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 HD **Geminder in \$44.5m portfolio sell-off**  
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MELBOURNE packaging billionaire Raphael Geminder has moved to reduce the number of related-party **transactions** between his private companies and his 40 per cent-owned, listed packaging **company** Pact **Group** by selling off a portfolio of industrial properties.

His Geminder Holdings has finalised the \$44.5 million **sale** of a national portfolio of industrial properties to funds management groups CorVal and Heathley through CBRE.

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The three properties were **sold** with long-term leasebacks to Pact, while a fourth was **sold** with a long-term leaseback to privately owned business P'Auer.

Mr Geminder, who is the chairman of Geminder Holdings, said: "The **sale** of these properties materially reduces the number of related-party **property** interactions with Pact **Group**.

"It also delivers Pact **Group** a lower aggregate rental in the first year of occupancy and a sign-on fee for the new leases with the incoming landlords. That's a great outcome for all stakeholders." Pact shares are still trading below their \$3.80 issue price amid ongoing concerns among some fund managers about the extent of related dealings between Pact and Mr Geminder's private companies.

Pact has a number of related-party relationships struck at arm's length with other entities controlled by Mr Geminder, including the sharemarket-listed Pro-Pac Packaging. But Pact shares have rallied over the \$3.70 mark this month, after falling to a low of \$3.10 at the end of February. As part of the float process, Pact entered into conditional share-**purchase** agreements with a number of entities in which Pact, Geminder Holdings, or related entities held stakes.

Another deal on the horizon is Asian packaging **group** Dynapack. Dynapack is half-owned by the Hambali family of Indonesia and half-owned by Geminder Holdings, which acquired the interest in 2011. It has 17 manufacturing plants in Indonesia, Malaysia, Thailand and Vietnam.

Pact has signed an option to **buy** the business, but any **purchase** would be subject to an independent expert's report and a Pact shareholder vote where Mr Geminder would not be able to vote his stake.

In May, Dynapack added to its operations when it bought a **Chinese** packaging **company**.

Pact chief executive Brian Cridland, who has run the **company** for more than a decade, has previously said he had no concerns about conflicts of interest between Mr Geminder and Pact. "They are all on the table, they are all at arm's length," Mr Cridland said. "I don't even see them as conflicts, I see them as **commercial** arm's-length dealings between different entities." The **company** said in May it remained on track to meet its prospectus forecasts. PRIMESPACE P29

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