

13431/G-59/2022

Lahore,
October 17, 2022

The Board of Directors,
Ghani Chemical Industries Limited
10-N, Model Town Extension,
LAHORE.

Dear Sirs,

Proposed Price of Share of Ghani Chemical Industries Ltd. Based on P/E Ratio Upon Merger of G3 Technologies Ltd. with and into Ghani Chemical Industries Ltd.

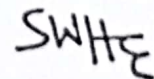
As per the Lahore High Court's (LHC) order dated October 11, 2022 in response to the Joint Petition filed by Ghani Chemical Industries Ltd. (GCIL) and G3 Technologies Ltd. (GTECH) under sections 279 to 283 and 285 of the Companies Act, 2017, GTECH shall stand de-listed from the Pakistan Stock Exchange Ltd. (PSX) on the date of allotment of shares by GCIL to the members of GTECH and on the same date, GCIL shall stand listed on PSX at the opening price based on price-earnings ratio (P/E ratio), which is to be determined on the basis of market equivalent share and earning potential of the merged balance sheet of both the Companies but should not be less than the par value of share of GCIL.

As desired, we have reviewed the P/E ratio as calculated by the management, which has been determined on the basis of un-audited condensed statement of profit or loss of **Pakistan Oxygen Ltd. (PAKOXY)** for the half-year ended June 30, 2022; PAKOXY's share is a listed market equivalent share. P/E ratio of PAKOXY has also been used to determine the Swap Ratio as detailed in our Revised certificate dated September 29, 2022.

		Rupees
Quoted price of PAKOXY's share as at October 14, 2022	(A)	<u>133.05</u>
Earnings per share of PAKOXY for the half-year ended June 30, 2022	(B)	<u>3.49</u>
Expected earnings per share of PAKOXY for the year ending December 31, 2022 (extrapolated for the whole year)	(C=B*2)	<u>6.98</u>
		Times
P/E ratio	(D=A/C)	<u>19.06</u>
		Rs. in thousand
Profit after taxation of GCIL as per audited financial statements for the year ended June 30, 2022	(E)	<u>812,426</u>
Profit after taxation of GTECH as per audited financial statements for the year ended June 30, 2022	(F)	<u>43,546</u>
Merged profit after taxation of GCIL upon merger of GTECH with and into GCIL	(G=E+F)	<u>855,972</u>
		No. of shares
Merged number of shares of GCIL upon merger of GTECH with and into GCIL	(H)	<u>434,716,338</u>
		Rupees
Combined earnings per share of GCIL upon merger of GTECH with and into GCIL	(I=G/H)	<u>1.97</u>
Proposed quoted price of GCIL's share	(J=D*I)	<u>37.55</u>

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* The above workings have been compiled by the management as required under clause X of Article - 6 General Provisions as contained in the Joint Petition filed by GCIL and GTECH, which has been approved by the LHC vide its order dated October 11, 2022.

** The above P/E ratio is based on extrapolated earnings of PAKOXY for the year ending December 31, 2022; the earnings per share of PAKOXY for the year ended December 31, 2021 was Rs. 9.62.

This certificate is being issued on the specific request of the management of GCIL for submission to PSX only; accordingly, this certificate should not be distributed to any other third party except PSX without our prior written consent. This certificate is solely for the purpose set forth in the scope mentioned above and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly,

Shinewing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS