

GGL/Corp/PSX/27X20-1

October 27, 2020

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi - 74000

Subject: **DECLARATION OF 66% RIGHT ISSUE**

Dear Sir,

In continuation to our earlier letter under reference No. GGL/Corp/PSX/27X20 dated October 27, 2020, the Board of Directors of Ghani Global Holdings Limited (the Company) in their meeting held on October 27, 2020 has decided to increase the paid up share capital of the Company from Rs.1,533,058,240/- to Rs.2,544,876,678/- by issue of 66% right shares i.e. Sixty Six (66) right shares for every Hundred (100) existing ordinary shares to be offered at a price of Rs. 10/- per share i.e. at Par to the members whose names will appear on the Members' Register on the book closure date ("Right Issue"). These right shares will rank pari passu with the existing shares in all respect.

The share transfer books of the Company will be closed from Tuesday November 24, 2020 to Monday November 30, 2020 (both days inclusive) to determine the entitlement of the Right Shares.

Transfers received at the office of our Share Registrar Vision Consulting Limited, 1st Floor, 3-C, LDA Flats, Lawrence Road, Lahore at the close of business on November 23, 2020 will be treated in time for the purpose of entitlement of Right Shares to the transferees.

The following documents/ details as required under the Companies (Further Issue of Shares) Regulation, 2020 are enclosed herewith:

- Certified true copy of the Extract of the Resolutions passed by the Board of Directors in their meeting held on October 27, 2020 as **Annexure-A**.
- Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders and Risk Factors as **Annexure-B**.

Corporate Office:

10-N, Model Town Ext. Lahore - 54000, Pakistan. UAN: 111-Ghani1, Ph: +92-42-35161424-5, Fax: +92-42-35160393
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Draft copy of the Notice of the Right issue and book closure to the Shareholders prior to its publication in the newspapers is attached as **Annexure-C**.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,
for Ghani Global Holdings Limited



Farzand Ali
Company Secretary

Enclosed: As sated above

- Copy to:**
1. The Commissioner, Corporate Supervision Department, Securities and Exchange Commission of Pakistan, Islamabad
 2. The Director, Surveillance Supervision Enforcement (SMD), Securities and Exchange Commission of Pakistan, Islamabad



Ghani Global Group

GHANI GLOBAL HOLDINGS LIMITED

Formerly Ghani Gases Limited

Annexure A

**EXTRACT OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF
GHANI GLOBAL HOLDINGS LIMITED (THE COMPANY)
AT THEIR MEETING HELD ON OCTOBER 27, 2020
AT ITS REGISTERED OFFICE: 10-N, MODEL TOWN EXTENSION, LAHORE.**

RESOLVED THAT the ordinary paid up share capital of the Company (Ghani Global Holdings Limited) be and is hereby increased from PKRs. 1,533,058,240/- (Pak Rupees One Billion Five Hundred and Thirty Three Million and Fifty Eight Thousand and Two Hundred and Forty only) to PKRs. 2,544,876,678 /- (Pak Rupees Two Billion Five Hundred and Forty Four Million and Eight Hundred and Seventy Six Thousand and Six Hundred and Seventy Eight only) by issue of further 101,181,844 (One Hundred and One Million and One Hundred and Eighty One Thousand and Eight Hundred and Forty Four) ordinary shares of the Company of Pak Rs. 10/- (Pak Rupees Ten only) per share, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as a right entitlement) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKRs. 10/- (Pak Rupees Ten only) per share (i.e. at par value), in the ratio of 66 right ordinary shares for every 100 existing ordinary shares of PKRs. 10/- each (i.e. 66%), against payment of value of shares to the Company up to the date as per Right Allotment Letters to be issued."

"FURTHER RESOLVED THAT these right shares when issued shall rank *pari passu* in all respects with the existing ordinary shares of the Company."

"FURTHER RESOLVED THAT share transfer books of the Company will remain closed from Tuesday November 24, 2020 to Monday November 30, 2020 (both days inclusive) to determine the entitlement of right shares"

"FURTHER RESOLVED THAT approval be and is hereby granted to allow the members/ shareholders of the Company to renounce their right to subscribe right shares in favour of any other person(s)."

FURTHER RESOLVED THAT the following are the quantum, size, and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and the shareholders of the Company and risk factors associated with the Right issue in accordance with the Regulations 3(I)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:

Quantum of the Right Issue (i.e. as percentage of existing paid up capital)

The quantum of the Right Issue is 66% of the existing paid up capital of the Company i.e. 66 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 101,181,844 (One Hundred and One Million and One Hundred and Eighty One Thousand and Eight Hundred and Forty Four) ordinary shares, at a price of PKRs. 10/- per share, aggregating to PKRs. 1,011,818,440 /- (Pak Rupees One Billion and

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Eleven Million and Eight Hundred and Eighteen Thousand and Four Hundred and Forty only).

Right Issue Price

PKRs. 10/- per share i.e. at par value

Purpose of the Issue

The purpose of the Issue:

- i. Equity Investment up to Rs. 700 million (Rupees Seven Hundred Million only) in its subsidiary Company i.e. Ghani Global Glass Limited (GGGL). However, if Right Issue made by GGGL that requires more than Rs. 700.00 million of investment, the excess amount will be declined by the Company and it gives its consent to GGGL to arrange subscription for the same through other persons including directors, substantial shareholder(s) of the Company as per Regulation 3 (iv) - The Companies (Further Issue of Shares) Regulations, 2020.
- ii. Equity Investment up to Rs. 250 million (Rupees Two Hundred Fifty Million Only) in its subsidiary Company i.e. Ghani Global Glass Limited for purchase of ordinary shares through open market, or purchases of letters of right for subsequent subscription thereof, in the Ready Market of the Pakistan Stock Exchange.
- iii. Investment in new business ventures;

Brief Note:

GGGL is a subsidiary of the Company and is principally engaged in manufacturing and sale of glass tubes, glass vials and ampules.

The Company owns 50.10% of GGGL's outstanding shares (i.e. 50,098,200 out of 100,000,000 outstanding shares) and controls GGGL's Board of Directors. The remaining 49.90% of these outstanding shares are owned by the public-at-large since GGGL is a listed company.

As per GGGL's proposed Financial Plan, additional funds will be required from further issue of capital to fulfill the following objectives;

- Modernization, balancing and replacement to enhance capacity and to set-up another melting furnace for tube to tap the unmet (and increasing) demands of the market and diversify into new products and markets;
- Working Capital including repayments of borrowings;

The funds generated by the Company from the further issue of capital will be utilized for expansion/working capital requirements of GGGL and management of the GGGL

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believes that such mode of financing/investment plans will contribute not only towards increased profitability that ultimately be translated into increased shareholders value.

Furthermore, the Company aims to increase its holding in GGGL to a level of 55% through open market purchases on PSX (so that Ghani Global Group can avail the Group Relief option under Section 59B of the Income Tax Ordinance, 2001).

The Company intends to diversify its business portfolio by venturing into new business areas and unbundling its product and service offerings. In this regard, the Company is considering the feasibility of entering into the following business areas to harness its plans of concentric and conglomerate diversification:

- a. Pharmaceuticals;
- b. Iron and Steel; and
- c. Modarabas.

Utilization of Proceeds of the Right issue and Benefits to the Company and its Shareholders

The funds generated from the further issue of capital by the Company will be utilized for Equity Investment in ordinary shares of Ghani Global Glass Limited as aforementioned and/or new business ventures and management of the Company believes that such mode of financing/investment plans will contribute not only towards increased profitability that ultimately be translated into increased shareholders value.

Risk Factors associated with the Right issue

The Right Issue has been announced at well below current market price and also underwritten as per requirements of the applicable regulations. Thus there is minimal investment risk associated with the Right Issue.

"FURTHER RESOLVED THAT Mr. Atique Ahmad Khan, Chief Executive Officer, Mr. Masroor Ahmad Khan, director and Hafiz Farooq Ahmad Khan, director of the Company be and are hereby singly authorized to negotiate, finalize and appoint the underwriters to the right issue in compliance with the Companies (Further Issue of Shares) Regulations, 2020, sign underwriting agreements, other documents and settle/ finalize fees, underwriting commission, take-up commission and third party expenses and/or any other expenses relating to the Right issue."

"FURTHER RESOLVED THAT Mr. Atique Ahmad Khan, Chief Executive Officer, Mr. Masroor Ahmad Khan, director and Hafiz Farooq Ahmad Khan, director of the Company be and are hereby singly authorized to negotiate, finalize and appoint bankers to the right issue for collection of amount of subscription towards right shares and to open, operate and close the Right Issue Subscription Account(s) of the Company with the authorized Banks.



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"FURTHER RESOLVED THAT the draft circular to be sent to the members/shareholders pursuant to Section 83 of the Companies Act, 2017 and draft letter of right (LOR) be and are hereby approved and Chief Executive Officer and Company Secretary be and are hereby singly authorized to sign on behalf of the Board of Directors and/or the Company and these authorized persons are also empowered to amend the circular and LOR in accordance with right issue schedule to be approved by the PSX/CDC or any other authority.

"FURTHER RESOLVED THAT all fractional entitlements will be consolidated in the name of the Company Secretary (under trust) and unpaid letter of right in respect thereof shall be sold on Pakistan Stock Exchange Limited, the net proceeds from which sakes, once realized, shall be distributed/ paid to the entitled shareholders in accordance with their respective entitlements as per applicable laws."

"FURTHER RESOLVED THAT that any unsubscribed shares may be offered and allotted to such persons and in manner as the Board of Directors of the Company may deem fit in accordance with the Section 83(1)(a)(iv) of the Companies Act, 2017, including the sponsors, directors or associated undertaking of the Company or any third party before calling upon the underwriters to subscribe to any unsubscribed shares."

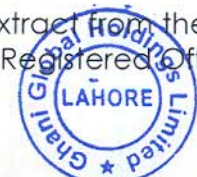
FURTHER RESOLVED THAT the Chief Executive Officer and the Company Secretary be and are hereby singly authorized to do the following acts on behalf of the Board of Directors and/or the Company:

- i. To prepare the schedule for the issue of right shares including date of payment, and to make any amendments in the said schedule, and to take all necessary actions, in respect of the Right issue and ancillary matters thereto, and as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC), including but not limited to induction of the offer for right shares in the Central Depository System of the CDC or any other authority;
- ii. To make necessary corrections, amendments and file necessary documents in case of any mistake or omission is pointed out by any regulatory authorities;
- iii. To allot /credit right shares and file return as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC) along with the auditors' certificates; and
- iv. To take all other necessary steps, and do all other acts, deeds and things for implementation of right issue and sign all any other documents and to make any amendments in the aforementioned documents and to take all necessary actions as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions."

Certified that the above mentioned, resolutions are true and valid extract from the meeting of the Board of Directors of Ghani Global Holdings Limited held at its Registered Office: 10-N, Model Town Extension, Lahore on Tuesday October 27, 2020.

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Signed by:

Name	Designation	Signatures
Masroor Ahmad Khan	Chairman/ Director	--sd--
Atique Ahmad Khan	Chief Executive Officer	--sd--
Hafiz Farooq Ahmad	Director	--sd--
Ayesha Masroor	Director	--sd--
Rabia Atique	Director	--sd--
Saira Farooq	Director	--sd--
Mahmood Ahmad	Director	--sd--
Farzand Ali	Director	--sd--

Farzand Ali

Corporate Office: **Company Secretary**

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Annexure-B

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation, 2020.

Quantum of the Right Issue (i.e. as percentage of existing paid up capital)

The quantum of the Right Issue is 66% of the existing paid up capital of the Company i.e. 66 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 101,181,844 (One Hundred and One Million and One Hundred and Eighty One Thousand and Eight Hundred and Forty Four) ordinary shares, at a price of PKRs. 10/- per share, aggregating to PKRs. 1,011,818,440 /- (Pak Rupees One Billion and Eleven Million and Eight Hundred and Eighteen Thousand and Four Hundred and Forty only).

Right Issue Price

PKRs. 10/- per share i.e. at par value

Purpose of the Issue

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The funds generated by the Company from the further issue of capital will be utilized for expansion/working capital requirements of GGGL and management of the GGGL believes that such mode of financing/investment plans will contribute not only towards increased profitability that ultimately be translated into increased shareholders value.

2. Furthermore, the Company aims to increase its holding in GGGL to a level of 55% through open market purchases on PSX (so that Ghani Global Group can avail the Group Relief option under Section 59B of the Income Tax Ordinance, 2001).
3. The Company intends to diversify its business portfolio by venturing into new business areas and unbundling its product and service offerings. In this regard, the Company is considering the feasibility of entering into the following business areas to harness its plans of concentric and conglomerate diversification:
 - a. Pharmaceuticals;
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Risk Factors associated with the Right issue

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Ghani Global Group

Ghani Global Holdings Limited

Faith..... Experience..... Innovation..... Growth.....

ANNOUNCEMENT OF RIGHT ISSUE

The Board of Directors of Ghani Global Holdings Limited (the "Company") in its meeting held on October 27, 2020 has decided to increase its paid up share capital of the Company from Rs. 1,533,058,240/- to Rs. 2,544,876,678/- by issue of 66 % right shares i.e. Sixty Six (66) right shares for every Hundred (100) existing ordinary shares to be offered at a price of Rs. 10/- per share i.e. at Par to the members whose names will appear on the Members' Register on the book closure date ("Right Issue"). These right shares will rank pari passu with the existing shares in all respects.

BOOK CLOSURE TO DETERMINE RIGHT ISSUE ENTITLEMENT

It has also been decided by the Board of Directors that Share Transfer Books of the Company to determine the members' entitlement to the Right Shares will be closed from Tuesday November 24, 2020 to Monday November 30, 2020 (both days inclusive). The members whose names appear in the Register of the Members at the close of business on Monday November 23, 2020 shall be entitled to the receipt of Letter of Rights or credit of unpaid rights in their sub-accounts with the Central Depository Company of Pakistan Limited, as the case may be. Transfers received at our Independent Share Registrar's Office, Vision Consulting Limited, 1st Floor, 3-C, LDA Flats, Lawrence Road, Lahore at the close of business on Monday November 23, 2020 will be treated in time for the purpose of entitlements to right shares.

For and on behalf of the Board

Lahore
October 27, 2020

Farzand Ali
Company Secretary