



SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION
(UNDER SECTION 279 TO 283 AND 285 OF THE COMPANIES ACT, 2017)

AMONGST
G3 TECHNOLOGIES LIMITED
WITH AND INTO
GHANI CHEMICAL INDUSTRIES LIMITED

Notice of Extra-Ordinary General Meetings:

- G3 Technologies Limited**
- Ghani Chemical Industries Limited**

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G3 TECHNOLOGIES LIMITED

Corporate Information

BOARD OF DIRECTORS

Mr. Masroor Ahmad Khan Chairman
Mr. Atique Ahmad Khan Chief Executive Officer
Hafiz Farooq Ahmad
Mr. Usman Hassan
Ms. Maleeha Humayun Bangash
Hafiz Imran Lateef
Mr. Ali Akhtar

AUDIT COMMITTEE

Hafiz Imran Lateef Chairman
Hafiz Farooq Ahmad
Mr. Usman Hassan

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Maleeha Humayun Bangash Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Hafiz Imran Lateef

PRESIDENT

M. Ashraf Bawany

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

COMPANY SECRETARY

Farzand Ali, FCS

AUDITORS

CROWE Hussain Chaudhury & Co.
Chartered Accountants
25-E, Main Market Gulberg-II, Lahore.

BANKERS

Al Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited

SHARE REGISTRAR

CORPLINK (PVT.) LTD.
Wings Arcade, 1-K, Commercial, Model Town,
Lahore.
Ph: 92-42-35916714, Fax: 92-42-35869037
Email: shares@corplink.com.pk

REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext, Lahore 54000, Pakistan
UAN: 111 GHANI 1 (442-641)
Fax: (092) 42 35160393
E-mail: corporate@servicefabrics.com
Website: www.servicefabrics.com

GHANI CHEMICAL INDUSTRIES LIMITED

Corporate information

BOARD OF DIRECTORS

Mr. Masroor Ahmad Khan	Chairman
Mr. Atique Ahmad Khan	
Hafiz Farooq Ahmad	Chief Executive Officer
Mr. Aftab Ahmad	
Ms. Saima Shafi Rana	
Hafiz Imran Lateef	
Mr. Usman Hassan	

PRESIDENT

M. Ashraf Bawany

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

COMPANY SECRETARY

Farzand Ali, FCS

AUDITORS

ShineWing Hameed Chauhdhri & Co.

Chartered Accountants

HM House, 7 Bank Square, Lahore.

SHARE REGISTRAR

CORPLINK (PVT.) LTD.

Wings Arcade, 1-K, Commercial, Model Town,
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Ph: 92-42-35916714, Fax: 92-42-35869037

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REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext, Lahore 54000, Pakistan

UAN: 111 GHANI 1 (442-641)

Fax: (092) 42 35160393

E-mail: info.gases@ghaniglobal.com

www.ghaniglobal.com

www.ghanigases.com

BANKERS

Askari Bank Limited
Al Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
Bank Islami (Pakistan) Limited
Dubai Islamic Bank (Pakistan) Limited
First Habib Mudarba
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
The Bank of Punjab

REGIONAL MARKETING OFFICE

C-7/A, Block F, Gulshan-e-Jamal

Rashid Minhas Road, Karachi.

Ph: (021) 34572150

E-mail: shahidayub@ghaniglobal.com

PLANTS

GCIL-I

52-K.M. Multan Road,

Phool Nagar Bypass, Distt. Kasur

Ph: +92-49-4510349-549

Fax: +92-49-4510749

E-mail: ggl1plant@ghaniglobal.com

GCIL-II

A-53, Chemical Area, Eastern Industrial Zone,
Port Qasim, Karachi.

Ph: +92-21-34016152

Fax: +92-21-34016142

E-mail: ggl2plant@ghaniglobal.com

G3 TECHNOLOGIES LIMITED

Notice of Extra Ordinary General Meeting

In compliance with the Honorable Lahore High Court, Lahore order passed in Civil Original No. 25797/2022, notice is hereby given that Extra-ordinary General Meeting (EOGM) of the shareholders of G3 Technologies Limited (GTECH) will be held on Tuesday May 31, 2022 at 03:00 P.M. at registered office of the Company i.e. 10-N, Model Town Ext., Lahore to consider and if thought fit approve, adopt and agree to the Scheme of Arrangement for merger/amalgamation of G3 Technologies Limited with and into Ghani Chemical Industries Limited and to pass or otherwise the following resolutions or connected resolutions as special resolutions, with or without modification(s), addition(s) or deletion(s) by the shareholders of the Company:

RESOLVED that the consent of the general meeting be and is hereby accorded to the scheme of merger/ amalgamation of G3 Technologies Limited (the Company) with and into Ghani Chemical Industries Limited subject to the sanction of the Honorable Lahore High Court, Lahore

FURTHER RESOLVED that the Scheme of Arrangement for merger/ amalgamation between G3 Technologies Limited and its members and Ghani Chemical Industries Limited and its members considered by this meeting and initialed by the Chairmen of this meeting for the purpose of identification with such modifications as may be approved by the shareholders of both the companies and as proposed by the Securities and Exchange Commission of Pakistan and as may be directed by the Honorable Lahore High Court Lahore be and is hereby approved, adopted and agreed.

FURTHER RESOLVED that Mr. Atique Ahmad Khan, Chief Executive Officer and/or Mr. Farzand Ali, Company Secretary of the company be and are hereby singly authorized and empowered on behalf of the company to do all acts, deeds and things and take all necessary steps and signing of the documents, deeds and papers and all other documents as may be necessary in order to give effect to, implement and complete the merger as aforesaid and all matters connected, necessary and incidental thereto.

Mr. Muhammad Saram Shahid, Advocate, High Court Lahore and Mr. Saqib Haroon Chishti, Advocate, High Court, Lahore have been appointed by the Honorable Lahore High Court, Lahore to chair the meeting and report the results thereof to the Honorable High Court.



Farzand Ali
Company Secretary

Place: Lahore
Dated: May 06, 2022

Notes:

1. The detailed explanatory statement accompanying the notice to the members is being sent along with the Notice of the Extra Ordinary General Meeting of the Company.
2. Copies of Scheme of Arrangement for the subject merger, statement u/s 281 of the Companies Act, 2017 recent annual/ quarterly accounts along with all published or otherwise required accounts of all previous periods of the above referred companies along with financial details on swap ratio, Memorandum and Articles of Association, requisite approvals and any other related information/ documents may also be inspected/ procured during the business hours on any working day at Registered Office of the Company from the date of publication of this notice till the conclusion of the Extra-Ordinary General Meeting.
3. Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Tuesday May 24, 2022 to Tuesday May 31, 2022 (both days inclusive). Transfer received in order at the office of the share registrar

M/s Corplink (Private) Limited,
Wings Arcade, 1-K, Commercial Model Town, Lahore
Telephone No. +92 42 35916714
Fax No. +92 42 35869037, Email: corplink786@gmail.com

at the close of business on Monday May 23, 2022 will be treated in time for the purpose of the EOGM.

4. A member entitled to attend, speak and vote at the EOGM is entitled to appoint a proxy to attend, speak and vote instead of him/her.

Proxies in order to be effective duly signed, filed and witnessed must be deposited at the Registered Office of the Company, along with the attested copies of valid Computerized National Identity Card (CNIC) or Passport, not less than 48 hours before the meeting.

CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting.

Attendance in the meeting shall be on production of original CNIC or passport.

5. The Company has made arrangements to ensure that all participants, including shareholders, can participate in the EOGM proceedings via video link. In order to attend the meeting through video link members are requested to share the below information at gtecheogm@ghaniglobal.com, for their appointment/registration and proxy verification by or before May 30, 2022 as per below format.

Full Name	Folio/CDC No.	Company Name	CNIC Number	Registered Email Address	Cell Number

Video link details and login credentials will be shared with those members whose registered emails containing all the particulars are received on or before May 30, 2022.

GHANI CHEMICAL INDUSTRIES LIMITED

Notice of Extra Ordinary General Meeting

In compliance with the Honorable Lahore High Court, Lahore order passed in Civil Original No. 25797/2022, notice is hereby given that Extra-ordinary General Meeting (EOGM) of the shareholders of Ghani Chemical Industries Limited (GCIL) will be held on Tuesday May 31, 2022 at 04:00 P.M. at registered office of the Company i.e. 10-N, Model Town Ext., Lahore to consider and if thought fit approve, adopt and agree to the Scheme of Arrangement for merger/amalgamation of G3 Technologies Limited with and into Ghani Chemical Industries Limited and to pass or otherwise the following resolutions or connected resolutions as special resolutions, with or without modification(s), addition(s) or deletion(s) by the shareholders of the Company:

RESOLVED that the consent of the general meeting be and is hereby accorded to the scheme of merger/ amalgamation of G3 Technologies Limited with and into Ghani Chemical Industries Limited (the Company) subject to the sanction of the Honorable Lahore High Court, Lahore

FURTHER RESOLVED that the Scheme of Arrangement for merger/ amalgamation between G3 Technologies Limited and its members and Ghani Chemical Industries Limited and its members considered by this meeting and initialed by the Chairmen of this meeting for the purpose of identification with such modifications as may be approved by the shareholders of both the companies and as proposed by the Securities and Exchange Commission of Pakistan and as may be directed by the Honorable Lahore High Court Lahore be and is hereby approved, adopted and agreed.

FURTHER RESOLVED that Mr. Hafiz Farooq Ahmad, Chief Executive Officer and/or Mr. Farzand Ali, Company Secretary of the company be and are hereby singly authorized and empowered on behalf of the company to do all acts, deeds and things and take all necessary steps and signing of the documents, deeds and papers and all other documents as may be necessary in order to give effect to, implement and complete the merger as aforesaid and all matters connected, necessary and incidental thereto.

Mr. Muhammad Saram Shahid, Advocate, High Court Lahore and Mr. Saqib Haroon Chishti, Advocate, High Court, Lahore have been appointed by the Honorable Lahore High Court, Lahore to chair the meeting and report the results thereof to the Honorable High Court.

Place: Lahore
Dated: May 06, 2022



Farzand Ali
Company Secretary

Notes:

1. The detailed explanatory statement accompanying the notice to the members is being sent along with the Notice of the Extra Ordinary General Meeting of the Company.
2. Copies of Scheme of Arrangement for the subject merger, statement u/s 281 of the Companies Act, 2017 recent annual/ quarterly accounts along with all published or otherwise required accounts of all previous periods of the above referred companies along with financial details on swap ratio, Memorandum and Articles of Association, requisite approvals and any other related information/ documents may also be inspected/ procured during the business hours on any working day at Registered Office of the Company from the date of publication of this notice till the conclusion of the Extra-Ordinary General Meeting.
3. Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Tuesday May 24, 2022 to Tuesday May 31, 2022 (both days inclusive). Transfer received in order at the office of the share registrar

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at the close of business on Monday May 23, 2022 will be treated in time for the purpose of the EOGM.

4. A member entitled to attend, speak and vote at the EOGM is entitled to appoint a proxy to attend, speak and vote instead of him/her.

Proxies in order to be effective duly signed, filed and witnessed must be deposited at the Registered Office of the Company, along with the attested copies of valid Computerized National Identity Card (CNIC) or Passport, not less than 48 hours before the meeting.

CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting.

Attendance in the meeting shall be on production of original CNIC or passport.

5. The Company has made arrangements to ensure that all participants, including shareholders, can participate in the EOGM proceedings via video link. In order to attend the meeting through video link members are requested to share the below information at gcileogm@ghaniglobal.com, for their appointment/registration and proxy verification by or before May 30, 2022 as per below format.

Full Name	Folio/CDC No.	Company Name	CNIC Number	Registered Email Address	Cell Number

Video link details and login credentials will be shared with those members whose registered emails containing all the particulars are received on or before May 30, 2022.

STATEMENT OF INFORMATION

Accompanying Notice To The Members

UNDER SECTION 281(1)(a) / 134(3) OF THE COMPANIES ACT, 2017

1. OBJECT OF THE SCHEME

- 1.1 The principal object of the Scheme of Compromises, Arrangement and Reconstruction (the Scheme) is to effect the merger/amalgamation of G3 Technologies Limited (the GTECH) with and into Ghani Chemical Industries Limited (the GCIL) and combine the assets and liabilities of these companies and their members into one company, to bring significant value addition for shareholders of both the companies. Both the companies are registered with Securities & Exchange Commission of Pakistan at Lahore, having registered office at common address.
- 1.2 The merger / amalgamation involves the transfer to and vesting in GCIL of the whole of the undertaking and business of GTECH together with all the property, assets, rights, liabilities and obligations of every description against allotment of shares of GCIL to the registered members of GTECH, accordingly as detailed in Para 4.
- 1.3 On the completion of merger/amalgamation and after issuance of shares of GCIL to the Shareholders of GTECH, the merging company, GTECH will be dissolved by the Order of the Honorable Lahore High Court, Lahore (the "Court") without winding up.

2. APPROVALS

- 2.1 The Scheme of Arrangement has been approved by the respective Boards of Directors of G3 Technologies Limited and Ghani Chemical Industries Limited. The respective Boards of Directors have approved the effective date of the Scheme as December 31, 2021 or any other date as may be ordered by the Honorable Court while approving the merger/amalgamation of GTECH with and into GCIL.
- 2.2 As required under Sub-Section (2) of Section 279 of the Companies Act, 2017 the Scheme will be approved by the members of GTECH and GCIL in their respective general meetings by passing resolutions proposed in the notices of the extra ordinary general meetings by majority in number representing three-fourth in value of shareholders present in person or by proxy and voting at the said general meetings to be chaired by the Honorable Lahore High Court appointed chairmen (Mr. Muhammad Saram Shahid, and Mr. Saqib Haroon Chishti, Advocates, High Court, Lahore)

3. SANCTION BY THE COURT

- 3.1 The Scheme is subject to the sanction of the Honorable Court in its present form or with any modification(s) thereof or addition(s) or deletion(s) thereto and is also subject to any conditions which the Court may impose.
- 3.2 The Board of Directors of G3 Technologies Limited and Ghani Chemical Industries Limited acting Jointly have the power to consent on behalf of all concerned to any modification(s) thereof or addition(s) to the Scheme or to any condition(s) which the Honorable Court may think fit to impose.

4. OBJECT OF THE SCHEME

- 4.1 Upon the Scheme being effective in terms of the Order of the Honorable Court, as consideration for the transfer to and vesting in Ghani Chemical Industries Limited of the undertaking and business of G3 Technologies Limited, Ghani Chemical Industries Limited shall subject to the provisions of this Scheme and without any further application, deed or Instrument issue at par and allot 74,961,338 ordinary shares of Rs. 10/- each as fully paid up shares to the registered shareholders of G3 Technologies Limited on the basis of Swap Ratio of 0.30 (zero point thirty) share of Ghani Chemical Industries Limited for every one share of G3 Technologies Limited. The new shares will be issued to those registered members of G3 Technologies Limited whose Names will appear on the register of members on the date to be fixed by the Board of Directors of Ghani Chemical Industries Limited for the purpose.

- 4.2** The swap ratio has been calculated on the basis of valuation of shares of both the Companies (GTECH and GCIL) by M/s ShineWing Hameed Chaudhri & Co. Chartered Accountants. The swap ratio worked out will benefit the members of both the companies. Normally three factors i.e., (i) book value/net asset value/break-up value, (ii) market value of shares, and (iii) dividend earning capacity of merging companies are given considerations while working out swap ratio. As GCIL is an unlisted company, therefore, the market value of shares of GCIL is not considered as one of the factors in calculating swap ratio. Similarly, the dividend earning capacities of merging companies are not considered as one of the factors as these companies have not declared any dividend.
- 4.3** All members whose names shall appear in the register of member of GTECH on such date after the Sanction Date as the Board of Directors of GCIL may determine, shall surrender their share certificate for cancellation thereof to GCIL. In default, upon new shares being allotted and issued by GCIL to the members of GTECH whose names shall appear on the respective register of members on such date, as aforesaid, the share certificate in relation to the shares held by them in GTECH shall be deemed to have been duly cancelled. At least fourteen days' notice shall be given to the members of GTECH of the date fixed by the directors of GCIL for determining the entitlements to ordinary shares of GCIL to be issued to the members of GTECH. The members holding physical shares will deliver the share certificates to the company for cancellation and issue of shares of GCIL to them in physical form within 30 days from the reopening of Book Closure. As GTECH's shares are eligible for Central Depository System (the "CDS") of Central Depository Company of Pakistan Limited (the "CDC"), the scrip-less shares shall be directly credited by book entries in the CDS in lieu of the scrip-less shares of GTECH to their respective Investors' accounts or sub-accounts with CDC participants within thirty (30) days from the reopening of Book Closure made for determination of merger entitlements.
- 4.4** The new ordinary shares of GCIL issued pursuant to the Scheme shall rank pari passu with the existing ordinary shares of GCIL in all respects and shall be entitled to all dividends, bonus, right issues declared subsequent to the sanctioning of this Scheme.
- 4.5** Upon the allotment of the Ordinary shares of GCIL to the members of GTECH in the manner aforesaid, all share certificates representing the ordinary shares of GTECH shall stand cancelled.
- 4.6** While making allotment of new shares, the fractional allotments above 0.5 shares shall be rounded up to one share and below 0.5 shall be ignored.

5. TRANSFER AND VESTING OF UNDERTAKING OF GTECH WITH AND INTO GCIL

- 5.1** The transfer to and vesting in GCIL, the business and undertaking of GTECH in accordance With the Scheme shall include all the liabilities and obligations of GTECH, howsoever arising, and after the amalgamation/merger is accomplished, GCIL will discharge all such outstanding liabilities and will perform all such outstanding obligations in due course as if they were originally the liabilities and obligations of GCIL instead of GTECH.
- 5.2** The transfer of all assets of GTECH under the Scheme, including property of all kinds, moveable or immovable, tangible or intangible, leasehold property, actionable claims, stocks, receivables and book debts, will be subject to any specific mortgages or charges created over these assets before the merger in favour of the creditors. There are, however, no charges / mortgages / hypothecation created on the assets of GTECH.
- 5.3** All the legal proceedings instituted by or against GTECH in the Court of Law and pending immediately before the merger/amalgamation will be treated as legal proceeding by or against the GCIL and will be dealt with accordingly.

6. COSTS

- 6.1** In accordance with the Scheme all the costs, charges and expenses incurred in respect of the Preparation of Scheme and carrying it into effect will be borne and paid by GCIL.

7. BUSINESS

7.1 The businesses presently carried on by the companies are as under:

G3 TECHNOLOGIES LIMITED

A public listed company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10-N, Model Town Extension, Lahore - 54000. The Company is principally engaged in manufacturing, sales and trading of calcium carbide and related products. Company is actively in process for setting up of import substitute Calcium Carbide project already announced in Hattar Economic Zone.

GHANI CHEMICAL INDUSTRIES LIMITED

A public company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10 N, Model Town Extension, Lahore - 54000. The Company is principally engaged in manufacturing, sales and trading of medical & industrial gases and chemicals.

8. BENEFITS OF MERGER/AMALGAMATION

8.1 The proposed merger amalgamation of GTECH with and into GCIL will rationalize business structure, combine the assets of the two companies and their members. This will also result in reducing cost of doing business, cutting down the reporting requirements, effective tax management, leading to operational efficiency and better profitability in future. The shareholders of GTECH will greatly benefit from the merger /amalgamation as they have not received any return for the past several years. Through this merger/ amalgamation, the GTECH will be greatly benefitted by merging into a large scale manufacturing and business entity and shareholders of GCIL will get the benefit of listing. More specifically, some of the benefits which will accrue due to proposed amalgamation/merger are narrated here below:

i) BETTER MANAGEMENT AND SUPERVISION:

The key managers / staff of merging companies would be pooled together to form a superior and competitive management to govern the newly merged organization.

ii) IMPROVED RISK ABSORPTION CAPACITY:

Due to increase in size and larger capital base, the merged company would be less vulnerable. Further, it would be more equipped to absorb any potential risks arising out of uncertain operating environment and unstable economic conditions. This will result in operating stability and long term sustainability

iii) REGULATORY REQUIREMENTS:

It would be much convenient for one company to fulfill the mandatory requirements of Government Regulatory Bodies e.g. filing of mandatory returns to Securities & Exchange Commission of Pakistan (SECP) AND Pakistan Stock Exchanges Limited (PSX), single taxation and other requirements. This would save the substantial time and resources of merging companies.

iv) SINGLE BOARD OF DIRECTORS AND RATIONALIZATION OF SECRETARIAL COSTS:

In the event of merger both companies, the secretarial and administrative costs incurred individually by each company will be considerably reduced as:

- a. Only single Board of Directors will be required to manage the affairs of the Company. One secretary, one internal auditor and one chief financial officer will be required for surviving company.
- b. Only one Annual General Meeting (AGM) will be required to be held and one set of annual / half yearly / quarterly accounts will be published and circulated by the company.
- c. Only one register of shareholders and one set of books and records will be required to be maintained.
- d. Only one external auditor will be required.
- e. Amalgamation/merger of the Companies would result in an improvement in the administration of personnel affairs of the staff and administrative policies will be uniform

v) COMMON DEPARTMENT:

There would be common departments e.g. finance, accounting and human resource managing the entire company and eliminating the repetitive functions being performed on isolated basis.

vi) BETTER FINANCIAL MANAGEMENT:

The amalgamation will lead to increase in asset base, size of the company and better working capital management. The large size of equity will provide greater comfort to potential creditors.

vii) BROADER CAPITAL BASE

Merger will result in broadening the assets base of the company, which will result in better chances of profitability and growth of the merged companies.

viii) INCOME TAX IMPLICATION:

One assessment of the company would also save the tax consultancy fee and other governmental charges being borne by each company individually.

9. DIRECTORS, SPONSORS, RELATIVES AND MANAGEMENT

G3 TECHNOLOGIES LIMITED

The following are present directors and their holding of shares in the Company:

Directors	Designation	Shareholding
Mr. Masroor Ahmad Khan	Chairman	792,650
Mr. Atique Ahmad Khan	Chief Executive Officer/Director	792,650
Hafiz Farooq Ahmad	Non -Executive Director	787,658
Mr. Usman Hassan	Independent Director	7,930
Ms. Maleeha Humayun Bangash	Independent Director	7,930
Hafiz Imran Lateef	Independent Director	7,930
Mr. Ali Akhtar	Non -Executive Director	2,000
TOTAL		2,398,748

GHANI CHEMICAL INDUSTRIES LIMITED

The following are present directors and their holding of shares in the Company:

Directors	Designation	Shareholding
Mr. Masroor Ahmad Khan	Chairman / Non-Executive Director	3
Mr. Atique Ahmad Khan	Executive Director	2
Hafiz Farooq Ahmad	Chief Executive Officer/Director	2
Mr. Usman Hassan	Independent Director	2
Hafiz Imran Lateef	Independent Director	2
Mrs. Saima Shafi Rana	Independent Director	2
Mr. Aftab Ahmad	Non -Executive Director	2
Mrs. Rabia Atique	Relative	1,107,700
		1,107,715

Note: Mrs. Saima Shafi Rana appointed on January 07, 2022 in place of Ms. Maleeha Humayun Bangash.

10. INTEREST OF DIRECTORS

10.1 All the directors of GTECH and GCIL are interested in the Scheme of Compromises, Arrangement and Reconstruction (the Scheme) to the extent of shares are held by them in said company and their shareholdings in GTECH and GCIL. The effect of the Scheme on the interest of these directors does not differ from its effect on the like interest of other member. The Directors are also interested to the extent of the remuneration, if any as approved by their respective Board of Directors and the policies of the companies.

11. COMPENSATION FOR LOSS OF OFFICE

11.1 No compensation is payable to any of the directors for the loss of offices as Director of the Companies.

12. LISTING / DELISTING

12.1 G3 Technologies Limited shall stand de-listed from the Pakistan Stock Exchange Limited on the date of allotment of shares by Ghani Chemical Industries Limited to the members of GTECH and on the same date, GCIL shall stand listed on the Pakistan Stock Exchange Limited without any further, act, deed or formality except that GCIL shall file the documentations as may be required by the concerned stock exchange. Till such time the shares of GCIL are listed on the concerned stock exchange, the listing status of GTECH shall not be changed.

13. SHARE REGISTRAR AFTER MERGER

13.1 After merger of GTECH with and into GCIL, share registrar of GCIL will continue to act as share registrar of merged entity.

14. INSPECTION OF DOCUMENTS

14.1 The documents of GTECH and GCIL namely, copies of the Memorandum and Articles of Association, the Audited financial Statements, the Scheme, the Statement of Information, break value / valuation certificates, swap ratio report and all other related documents may be inspected at the registered office, 10-N, Model Town Ext., Lahore, during the usual business hours on any working day till the conclusion of the meeting in which the resolution of merger / amalgamation will be approved and adopted.

14.2 The Statement of Information and the Scheme along with notice of EOGM have been sent to all the members of respective companies at their addresses registered with the Company(s). Copies of the same could be obtained from the following address during business hours:

Registered Office

Ghani Global Group
10-N, Model Town Extension, Lahore 54000.

G3 TECHNOLOGIES LIMITED

UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT DECEMBER 31, 2021

	December 31, 2021 Rupees	June 30, 2021 Rupees
PROPERTY AND ASSETS		
Non Current Assets		
Property, plant and equipment	262,496,623	1,000,000
Long term investment	409,989,031	15,628,969
Deferred tax asset	-	-
	672,485,654	16,628,969
Current Assets		
Inventory	26,923,077	-
Trade debts	36,275,000	-
Advances and other receivables	10,081,322	-
Tax refund due from Government	17,760,029	-
Short term investments	1,380,000,000	-
Cash and bank balances	47,235,153	202,062
	1,518,274,581	202,062
	<u>2,190,760,235</u>	<u>16,831,031</u>
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized share capital: 250,000,000 (June 30, 2021: 16,000,000) ordinary shares of Rs. 10 each	<u>2,500,000,000</u>	<u>160,000,000</u>
Issued, subscribed and paid up capital	2,498,711,280	157,548,000
Accumulated loss	<u>(406,352,033)</u>	<u>(391,875,297)</u>
	2,092,359,247	(234,327,297)
Non Current Liabilities		
Payable to subsidiary	-	10,028,205
Current Liabilities		
Trade and other payables	95,714,932	58,054,660
Unclaimed dividend	491,058	491,058
Loan from director	-	17,409,765
Short term financing	-	163,357,507
Provision for taxation	2,194,998	1,817,133
	98,400,988	241,130,123
Contingencies and Commitments		
	-	-
	<u>2,190,760,235</u>	<u>16,831,031</u>

G3 TECHNOLOGIES LIMITED

UNCOSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2021

	Half Year Ended		Quarter Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Rupees	Rupees	Rupees	Rupees
Gross sales	36,275,000	-	36,275,000	-
Less: sales tax	(6,045,833)	-	(6,045,833)	-
Net sales	30,229,167	-	30,229,167	-
Cost of sales	(29,965,812)	-	(29,965,812)	-
Gross Profit	263,355	-	263,355	-
Administrative expenses	(11,733,605)	(354,465)	(4,211,355)	(295,695)
Operating Loss	(11,470,250)	(354,465)	(3,948,000)	(295,695)
Other operating expenses	(104,020,336)	-	(65,176,747)	-
Other income	91,402,684	-	91,401,916	-
Share of profit from associated company	9,989,031	-	9,989,031	-
	(2,628,621)	-	36,214,200	-
(Loss) / Profit before Taxation	(14,098,871)	(354,465)	32,266,200	(295,695)
Taxation	(377,865)	-	(377,865)	-
Net (Loss) / Profit for the Period	(14,476,736)	(354,465)	31,888,335	(295,695)
(Loss) / Earnings per share - basic and diluted 2020 - Restated	(0.12)	(0.02)	0.27	(0.01)

GHANI CHEMICAL INDUSTRIES LIMITED

UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT DECEMBER 31, 2021

	December 31, 2021	June 30, 2021
	Rupees in thousand	
ASSETS		
Non-current assets		
Property, plant and equipment	5,146,231	4,098,659
Right of use assets	396,771	26,502
Intangible assets	4,195	5,676
Investments	401,472	75
Long term deposits	67,193	67,193
	6,015,862	4,198,105
Current assets		
Stores, spares and loose tools	311,265	228,468
Stock-in-trade	50,305	101,481
Trade debts	959,496	687,353
Loans and advances	559,676	135,567
Deposits, prepayments and other receivables	142,712	141,107
Tax refunds due from Government	19,783	7,112
Advance income tax	351,289	427,550
Cash and bank balances	292,206	63,418
	2,686,732	1,792,056
Non-current assets held for sale	52,250	0
Total assets	8,754,844	5,990,161
Equity and liabilities		
Share capital and reserves		
Share capital	3,597,550	1,535,250
Share premium	300,000	913,951
Revaluation surplus on freehold and leasehold land	298,773	0
Unappropriated profit	1,005,103	463,285
Total equity	5,201,426	2,912,486
Non-current liabilities		
Long term finances	675,011	574,540
Redeemable capital - Sukuk	270,833	379,167
Long term security deposits	52,886	52,022
Lease liabilities	5,492	5,261
Deferred liabilities	420,418	333,100
	1,424,640	1,344,090
Current liabilities		
Trade and other payables	333,318	302,115
Accrued profit	47,069	37,174
Short term borrowings	1,208,369	837,017
Current portion of non-current liabilities	408,534	393,018
Taxation	131,488	164,261
	2,128,778	1,733,585
Total liabilities	3,553,418	3,077,675
Contingencies and commitments	-	-
Total equity and liabilities	8,754,844	5,990,161

GHANI CHEMICAL INDUSTRIES LIMITED

UNCOSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2021

December 31, December 31,
2021 2020
Rupees in thousand

Sales	2,704,356	1,810,261
Less: sales tax	(290,091)	(220,496)
Sales - net	2,414,265	1,589,765
Cost of sales	(1,366,574)	(929,127)
Gross profit	1,047,691	660,638
Distribution cost	(135,970)	(127,480)
Administrative expenses	(98,291)	(71,610)
Other expenses	(60,267)	(36,893)
Other income	116,002	22,292
	(178,526)	(213,691)
Profit from operations	869,165	446,947
Finance cost	(95,704)	(111,461)
	773,461	335,486
Share of profit of an Associated Company	2,604	0
Profit before taxation	776,065	335,486
Taxation	(216,666)	(99,488)
Profit after taxation	559,399	235,998
Other comprehensive income		
Surplus arisen upon revaluation of freehold land	956,043	0
Surplus arisen upon revaluation of leasehold land	373,498	0
	1,329,541	0
Total comprehensive income for the period	1,888,940	235,998
	----- Rupees -----	
Earnings per share	1.66	Restated 0.96

SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

FOR

AMALGAMATION / MERGER

OF

**G3 TECHNOLOGIES LIMITED
(AND ITS MEMBERS)**

WITH AND INTO

**GHANI CHEMICAL INDUSTRIES LIMITED
(AND ITS MEMBERS)**

**(IN TERMS OF PROVISIONS OF SECTIONS 279 TO 283 and 285
READ WITH OTHER ENABLING PROVISIONS OF THE COMPANIES ACT, 2017)**

SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION UNDER SECTION 279 TO 283 AND 285 READ WITH OTHER ENABLING PROVISIONS OF THE COMPANIES ACT, 2017.

PREAMBLE

I. G3 TECHNOLOGIES LIMITED

BACKGROUND

G3 TECHNOLOGIES LIMITED (hereinafter referred to as “GTECH”) a public listed company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10-N, Model Town Extension, Lahore - 54000. The ownership and management of GTECH is specified in Article 2 (I).

The Company is principally engaged in manufacturing, sales and trading of calcium carbide and related products.

II. GHANI CHEMICAL INDUSTRIES LIMITED

BACKGROUND

GHANI CHEMICAL INDUSTRIES LIMITED (hereinafter referred to as “GCIL”) a public company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10 N, Model Town Extension, Lahore - 54000. The ownership and management of GCIL is specified in Article 2 (II).

The Company is principally engaged in manufacturing, sales and trading of medical & industrial gases and chemicals.

III. Objective and Benefits

The principal object of this Scheme of Arrangement, formulated pursuant to the provisions of Sections 279 to 283 and 285 of the Act, is to effect the merger/ amalgamation of GTECH with and into GCIL for the purposes amongst others of combining the assets of both the companies and share capital of their members into one company to bring significant value addition for the members of the both companies. The merger / amalgamation involves the transfer to and vesting in GCIL of the whole undertaking and business of GTECH together with all the property, assets, privileges, rights including listing status, CDC eligibility, liabilities, licenses, guarantees, and obligation of every description of GTECH against allotment of shares of GCIL to the registered members of GTECH as defined in Article – 4 hereinafter.

GCIL deals in liquid gases and also have vast experience in the import, sales and marketing of calcium carbide and related products. Moreover, object clause under memorandum of association also deals in chemical business. GCIL is profitable company and shareholders of GTECH can participate in profitability of GCIL soon after merger. Moreover, technical, financial and sales & marketing expertise of GCIL will be added advantage for the calcium carbide project of GTECH. Thus it is expected to have positive synergies with this merger for the shareholders of both of the merging entities.

On the completion of merger / amalgamation and after the issuance of shares of GCIL to the registered members of GTECH, GTECH will be dissolved by the Order of the Honorable Lahore High Court, Lahore without winding up.

ARTICLE-1 - DEFINITIONS

DEFINITIONS

I. In this Scheme of Arrangement (including the preamble hereto), unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them below:

(a) “**Act**” means the Companies Act, 2017;

- (b) **“Court”** means the Lahore High Court, Lahore or any other court of competent jurisdiction for the time being having jurisdiction under Sections 279 to 283 and 285 of the Companies Act, 2017 in connection with this Scheme;
- (c) **“Effective Date”** means 24:00 hours on December 31, 2021 or such other date as may be approved by the Court;
- (d) **“GCIL” or “Transferee”** means **Ghani Chemical Industries Limited**, a public company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10 N, Model Town Extension, Lahore - 54000.
- (e) **“GTECH” or “Transferor”** means **G3 TECHNOLOGIES LIMITED**, a public listed company limited by shares, incorporated in Pakistan under repealed Companies Ordinance, 1984 and having its registered office at 10-N, Model Town Extension, Lahore.
- (f) **“Rs.”** shall mean “Rupees”, being the legal tender money of the Islamic Republic of Pakistan;
- (g) **“Sanction Date”** has the meaning ascribed thereto in Article 6 (I)(iv), being the day on which this Scheme becomes operative;
- (h) **“Scheme”** means this Scheme of Arrangement in its present form with any modification thereof or addition hereto approved by the Court and/or the Securities & Exchange Commission of Pakistan and/or the general meeting of members of the respective companies;
- (i) **“Undertaking and Business”** means the assets, undertaking, business, liabilities of the GTECH (including shares allocated under the Scheme) as more particularly described in Schedule 1 hereto;

II. The headings and marginal notes are inserted for convenience and shall not affect the construction of this Scheme.

ARTICLE-2 – SHARE CAPITAL AND MANAGEMENT

I. G3 TECHNOLOGIES LIMITED

The authorized share capital of the Company is Rs. 2,500,000,000 divided into 250,000,000 of ordinary shares of Rs. 10 each out of which 249,871,128 ordinary shares are fully paid and issued as follows:

No. of Shares Issued	Issued for/Against	Rs.
249,621,128	Cash	2,496,211,280
250,000	Consideration other than Cash	2,500,000
-	Bonus Shares	-
249,871,128		2,498,711,280

(a) Pattern of Shareholding of the Shares held by the Shareholders as of Effective Date is as follows:

Categories of Shareholders	No. of Shares Held	% Holding
Directors and their Family	2,398,748	0.96%
Ghani Global Holdings Limited	10,000,000	4.00%
Ghani Chemical Industries Limited	39,800,000	15.93%
G3 Fintech (Private) Limited	16,000,000	6.40%
General Public	181,672,380	72.71%
	249,871,128	100.00%

- (b) The total number of shareholders of GTECH, as of the Effective Date is 7,660.
- (c) Share Capital of the Company (GTECH) will not be changed for Ordinary Shares under the Scheme as described in Article-3 (IV). However, any other class of shares can be issued, redeemed, or converted, if provided in the Memorandum and Articles of Association and conversion ratio will be adjusted according to SWAP ratio determined under the Scheme if conversion takes place after Sanction Date. However, SWAP ratio will not be changed if conversion occurs before Sanction Date. Moreover, pattern of shareholding can be changed till the Sanction Date.
- (d) Board of Directors of the Company (GTECH) before Merger

Directors	Designation
Mr. Masroor Ahmad Khan	Chairman
Mr. Atique Ahmad Khan	Chief Executive Officer/Director
Hafiz Farooq Ahmad	Non -Executive Director
Mr. Usman Hassan	Independent Director
Ms. Maleeha Humayun Bangash	Independent Director
Hafiz Imran Lateef	Independent Director
Mr. Ali Akhtar	Non -Executive Director

ii. GHANI CHEMICAL INDUSTRIAL

The authorized, issued subscribed and paid up capital of GCIL on the Effective Date is as follows:

	Rs.
AUTHORISED	
550,000,000 ordinary shares @ Rs. 10.00 each	5,500,000,000 =====
ISSUED, SUBSCRIBED AND PAID UP CAPITAL	
359,755,000 ordinary shares of Rs. 10/- each	3,597,550,000 =====

- (a) The pattern of shareholding of GCIL, as of the Effective Date, is as follows:

Categories of Shareholders	No. of Shares Held	% Holding
Directors and their Family	1,107,715	0.31%
Ghani Global Holdings Limited	251,459,985	69.90%
Ghani Products (Private) Limited	79,055,900	21.88%
G3 Technologies Limited	22,000,000	6.12%
General Public	6,131,400	1.79%
	359,755,000	100.00%

- (b) The total number of shareholders of GCIL, as of the Effective Date is 32 .
- (c) Share Capital of the Company (GCIL) can be differ as on Sanction Date but this will not affect the Scheme. However, pattern of shareholding can be changed till the Sanction Date.
- (d) Board of Directors of the Company (GCIL) before Merger

Mr. Masroor Ahmad Khan	Chairman / Non-Executive Director
Mr. Atique Ahmad Khan	Executive Director
Hafiz Farooq Ahmad	Chief Executive Officer/Director
Mr. Usman Hassan	Independent Director
Hafiz Imran Lateef	Independent Director
Ms. Maleeha Humayun Bangash	Independent Director
Mr. Aftab Ahmad	Non-Executive Director

iii. After Merger / Amalgamation

The Directors of Ghani Chemical Industries Limited (GCIL) will continue to serve as directors of the Company after the merger/ amalgamation except as following.

Mr. Masroor Ahmad Khan	Chairman / Non-Executive Director
Mr. Atique Ahmad Khan	Executive Director
Hafiz Farooq Ahmad	Chief Executive Officer/Director
Mr. Usman Hassan	Independent Director
Hafiz Imran Lateef	Independent Director
Ms. Maleeha Humayun Bangash	Independent Director
Mr. Ali Akhtar	Non-Executive Director

ARTICLE-3 – SCHEME OF ARRANGEMENT

GENERAL

- i. This Scheme of Arrangement has been formulated pursuant to the provisions of Sections 279 to 283 and 285 of the Act for the transfer and vesting of the Undertaking and Business into GCIL.
- ii. On the completion of merger / amalgamation and after issuance of shares of GCIL to the registered members of GTECH, GTECH will be dissolved by the order of the Honorable Court, without winding up.

TRANSFER OF UNDERTAKING AND BUSINESS INTO GCIL

- iii. The Undertaking and Business shall transfer and vest in GCIL in the following manner:
 - (i) The Undertaking of GTECH as at the effective date shall, without any further act, Instrument or deed, be and the same shall stand transferred to and be vested or deemed to have been transferred to or vested in GCIL on the Effective Date.
 - (ii) The transfer / vesting shall be subject to the existing charges/ mortgages/ hypothecation, if any. There are, however no charges/mortgages/hypothecation registered on the assets of GTECH.
 - (iii) Such of the assets of GTECH which are moveable in nature or are capable of transfer by manual / physical delivery or by endorsement and delivery, the same shall be so transferred and shall become property of the GCIL as its integral part. All the bodies, department and concerned institutions/companies wherever required shall transfer the assets without any further act or deed by the GCIL.
 - (iv) All the immovable assets and properties and other rights, connections including listing status with Pakistan Stock Exchange Limited and CDS rights with Central Depository Company of Pakistan Limited etc., of GTECH shall stand transferred in the name of GCIL on the effective date and all the bodies, institutions, companies, stock exchange. CDC, and concerned Government departments and functionaries shall effect the transfer of assets, rights, privileges and status in the name of GCIL without any act or deed and without payment of any amount whatsoever.

- (v)** All the liabilities of GTECH as at the effective date shall, without any further act, deed or instrument be and shall transferred and vested in GCIL so as to become as and from the effective date the debts, liabilities and obligations of GCIL.
- (vi)** Without prejudice to the generality of the above, the transfer to and vesting in GCIL the business and undertaking of GTECH in accordance with this Scheme shall include the followings:
 - (a)** All the liabilities and obligations of GTECH, howsoever arising, and after the amalgamation is accomplished, GCIL will discharge all such outstanding liabilities and obligations in due course as if they are originally the liabilities and obligations of GCIL instead of GTECH.
 - (b)** All the assets of GTECH under this Scheme will be transferred to GCIL. This shall include properties of all kinds, moveable or immovable, tangible or intangible, leasehold property, actionable claims, stocks, receivables and book debts, advances deposits, prepayments, investments, cash and bank balances. However, the transfer and vesting of assets shall be subject to any specific mortgages or charges created over those assets before the merger in favor of the creditors. There are, however, no charges /mortgages/hypothecation registered on the assets of GTECH.
 - (c)** All the legal proceedings instituted, causes, suits, appeals, petitions, revisions of whatever nature by or against GTECH in the Court of Law which will be pending on the effective date will be continued prosecuted and enforced by or against GCIL as if this Scheme had not been made, and the same shall not abate, be discontinued or be in any way prejudiced or affected by the provisions of this Scheme. Thereafter, upon completion date, such legal proceedings shall stand transferred to GCIL.
 - (d)** All the banking, whether current deposit, investment of all natures, saving or others and other accounts maintained in the name of GTECH will stand transferred to GCIL.
 - (e)** Listing status of GTECH with the Pakistan Stock Exchange Limited (PSX) and eligibility status with Central Depository Company of Pakistan Limited (CDC) along with all privileges, rights and liabilities of GTECH with PSX and CDC shall stand transferred in the name of GCIL without any fee, charges, cost, act or formality.
 - (f)** All the utility licenses, connections, meters, and other facilities for electricity, gas, water, telecommunications and others allowed, licensed or provided by any Government agency (including Water and Power Development Authority, Water and Sanitation Agency, Sui Northern Gas Pipelines Limited, Sui Southern Gas Limited) or other agency to the GTECH with the respective benefits including the deposits and prepayments, Government approvals, (if any) will stand transferred without any additional charges to the GCIL. The security deposits and any other cost paid by GTECH against any of these and other existing facilities shall remain unchanged and the change of name shall take place without any additional fee, charges or costs whatsoever and without any delay.
 - (g)** All the registrations, rights, powers, licenses, permits, sanctions, permissions, privileges of the GTECH shall stand transferred to GCIL.
 - (h)** All the titles of land and other immovable property registered in the name of the GTECH will stand transferred in the name of GCIL.
 - (i)** All the rights in respect of trade mark, patents, copy rights and other rights and obligations in respect thereof of GTECH shall stand transferred to GCIL.
 - (j)** All the contracts, agreements and other instruments executed by the merging companies and subsisted in favor of the GTECH and its right and obligations there under shall stand transferred to GCIL.

- (k) All the employment contracts and obligations there under of the GTECH shall stand transferred to the GCIL.
- (l) All the obligations including payment of any taxes, duties and rights in respect of any entitlements, refunds, tax losses (revenue, capital. depreciation or otherwise) tax credits from any assessment, deemed assessment, appeal, rectification or modification of assessment under the law in respect of GTECH shall also stand transferred and vested in GCIL.

CONDUCT OF BUSINESS BY GTECH TILL THE COMPLETION DATE

- iv. During the period from the Effective Date till the Sanction Date, GTECH shall not sell, transfer or dispose of the Undertaking and Business.
 - (i) The amalgamation / merger in accordance with this Scheme shall be treated as having taken effect from the Effective Date and as from that time and until the Sanction Date when the GTECH Undertaking and Business is transferred to and vested in GCIL, GTECH shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for GCIL and all the profits accruing to GTECH or losses arising or incurred by them shall for all purposes be treated as the profits or losses of GCIL.
 - (ii) It is hereby undertaken by GTECH to carry on their businesses until Sanction Date with reasonable diligence, business prudence and shall not except, in the ordinary course of business or without the prior written consent of GCIL alienate, charge, mortgage, hypothecate, encumber or otherwise deal with or dispose of the respective undertakings of GCIL or any part thereof.

DETERMINATION OF UNDERTAKING AND BUSINESS

- v. A balance sheet:
 - (i) has been prepared by GTECH (appended herewith as Schedule II) of the Undertaking and Business, including without limitation, the capital reserves, revenue reserves, revaluation surplus and accumulated profits and losses of GTECH, as reflected in the books of account of GTECH immediately preceding the Effective Date and which has been audited by the Auditors of GTECH;
 - (ii) shall be prepared by GTECH of the Undertaking and Business, including, without limitation, the share capital, capital and general reserves, revenue reserves, revaluation surplus and accumulated profits and losses of GTECH, as reflected in the books of account of GTECH as of the Sanction Date and which shall be audited by the Auditors of GTECH, within sixty (60) days of the Sanction Date.
 - (iii) have been/shall be prepared in accordance with the accounting principles generally accepted in Pakistan and shall include notes setting out the methodology and assumptions used in identifying the Undertaking and Business of GTECH.

ARTICLE-4 – SHARES

CONSIDERATION

- i. Upon the Scheme being effective in terms of the order of the Court, as consideration for the transfer to and vesting in Ghani Chemical Industries Limited of the undertaking and business of G3 Technologies Limited, Ghani Chemical Industries Limited shall subject to the terms of this Scheme and without any further application, deed or instrument issue at par and allot 74,961,338 ordinary shares of Rs. 10/- each as fully paid up shares to the registered members of G3 TECHNOLOGIES LIMITED on the basis of swap ratio of 0.30 share of Ghani Chemical Industries Limited for every one share of G3 TECHNOLOGIES LIMITED. The new shares will be issued to those registered members of GTECH whose names will appear on the register of members on the date to be fixed by the Board of Directors of GCIL for the purpose. Any cross holding, if any, existed at the Sanction Date will be eliminated and no shares will be issued under SWAP ratio.

- ii. The swap ratio has been calculated on the basis of valuation of shares of both the companies (GTECH and GCIL) by M/s ShineWing Hameed Chaudhri & Co., Chartered Accountants. The swap ratio worked out will benefit the members of both the companies. Normally three factors i.e.
- (i) book value/net asset value/break-up value;
 - (ii) market value of shares; and
 - (iii) dividend earning capacity of merging companies;

are given considerations while working out swap ratio. As GCIL is an unlisted company, therefore, the market value of shares of GCIL is not considered as one of the factors in calculating swap ratio. Similarly, the dividend earning capacities of merging companies are not considered as one of the factors as these companies have not declared any dividend.

TRANSFER OF SHARES

- iii. All members whose names shall appear in the register of member of GTECH on such date after the Sanction Date as the Board of Directors of GCIL may determine, shall surrender their share certificate for cancellation thereof to GCIL. In default, upon new shares being allotted and issued by GCIL to the members of GTECH whose names shall appear on the respective register of members on such date, as aforesaid, the share certificate in relation to the shares held by them in GTECH shall be deemed to have been duly cancelled. At least fourteen days' notice shall be given to the members of GTECH of the date fixed by the directors of GCIL for determining the entitlements to ordinary shares of GCIL to be issued to the members of GTECH. The members holding physical shares will deliver the share certificates to the company for cancellation and issue of shares of GCIL to them in physical form within 30 days from the reopening of Book Closure. As GTECH's shares are eligible for Central Depository System (the "CDS") of Central Depository Company of Pakistan Limited (the "CDC"), the scrip-less shares shall be directly credited by book entries in the CDS in lieu of the scrip-less shares of GTECH to their respective Investors' accounts or sub-accounts with CDC participants within thirty (30) days from the reopening of Book Closure made for determination of merger entitlements.
- iv. The new ordinary shares of GCIL issued pursuant to the Scheme shall rank *pari passu* with the existing ordinary shares of GCIL in all respects and shall be entitled to all dividends, bonus, right issues declared subsequent to the sanctioning of this Scheme.
- v. Upon the allotment of the Ordinary shares of GCIL to the members of GTECH in the manner aforesaid, all share certificates representing the ordinary shares of GTECH shall stand cancelled.
- vi. While making allotment of new shares, the fractional allotments above 0.5 shares shall be rounded up to one share and below 0.5 shall be ignored.
- vii. Shares will be issued by GCIL to the members of GTECH under SWAP ratio. Working of Merger adjustment and Balance Sheet of GCIL immediately after merger is attached herewith in Schedule II. Resultant Merger Reserves is recognized as a Capital Reserves as a share premium is to be recognized by the GCIL.

ARTICLE-5 – RIGHTS AND OBLIGATIONS OF GCIL AND GTECH

RIGHTS AND OBLIGATIONS OF GCIL IN RESPECT OF THE UNDERTAKING AND BUSINESS

- i. All suits, appeals, arbitrations, governmental investigations and other legal proceedings instituted by or against GTECH in respect of the Undertaking and Business and pending before any court, tribunal, regulatory body or any other authority shall be treated as suits, appeals and legal proceedings by or against GCIL and may be continued, prosecuted and enforced by or against GCIL accordingly.

- ii. All taxes on income, including but not limited to, advance tax and withholding taxes, collected/deducted from the Effective Date till the Sanction Date in respect of the Undertaking and Business shall, and be deemed to, be to the benefit and credit of GCIL.
- iii. The capital reserves, revenue reserves, revaluation surpluses and accumulated profits and losses of GTECH as at the day preceding the Effective Date and immediately preceding the Sanction Date respectively, all as audited by the Auditors relating to the Undertaking and Business, shall constitute and be treated as reserves and revaluation surpluses of a corresponding nature in GCIL and shall be accounted on that basis in the books of account of GCIL.
- iv. The authorized share capital of GTECH shall be merged with the authorized share capital of GCIL. The authorized capital of Rs. 2,500 million of GTECH and Rs. 5,500 million of GCIL will be consolidated and merged and the authorized capital of GCIL will stand at Rs. 8,000 million divided into 800 million ordinary shares of Rs. 10 each without any payment of additional fee. The merged authorized capital will also be increased further if so required with the approval of shareholders by passing a special resolution in the general meeting in accordance with the requirements of the Companies Act, 2017. Moreover, if there is any change in the authorized capital of ordinary share or any class will be added in the merged entity (GCIL).
- v. All contracts, agreements, trusts, leases, conveyances, grants and instruments of transfer entered into by or subsisting in favour of GTECH upon being transferred to and vested in GCIL shall remain in full force and effect as if originally entered into by or granted in favour of GCIL instead of GTECH and GCIL may enforce all rights and shall perform all obligations and discharge, satisfy and perform and fulfill all debts, liabilities, contracts, engagements, and obligations whatsoever of GTECH as on effective date.
- vi. The debts and liabilities and the obligations of GTECH upon being transferred to and vested in GCIL shall be treated as the debts and liabilities and the obligations of GCIL as if originally incurred by GCIL instead of GTECH and GCIL shall pay and discharge all such debts and liabilities and shall perform all such obligations accordingly.

TRANSFER OF STAFF AND EMPLOYEES

- vii. Every officer, staff or other employee of GTECH on the effective date shall become officer, staff or employee, as the case may be, of GCIL on the basis that his service have not been interrupted by the transfer and vesting of Undertaking and Business of GTECH into GCIL under this Scheme and on the same remuneration and other conditions of service, rights, privileges as to provident fund, gratuity, if any and other matters as were applicable to them before the effective date.

ARTICLE-6 – GENERAL PROVISIONS

SANCTION AND EFFECTIVENESS OF SCHEME

- i. Sanctions and Provisions of the Scheme:
 - (i) The respective Board of Directors of GTECH and GCIL have approved the foregoing Scheme for submission to the Court. Consequent thereupon, a petition will be submitted to the Court for obtaining sanction of this Scheme formulated in terms of the provisions of Section 279 and all other enabling provisions of the Act and for an order under Section 282 of the Act for carrying the Scheme into effect.
 - (ii) The respective Board of Directors of GTECH and GCIL may, in their absolute discretion, consent jointly on behalf of all concerned to any modifications or additions or alterations to this Scheme or to any conditions which the Court may think fit to impose and may give such directions as they may consider necessary to settle any questions or difficulty arising under this Scheme or in regard to its implementation or in any matter connected therewith.
 - (iii) This Scheme is subject to the sanction of the Court and may be sanctioned in its present form or with any modification thereof or addition thereto as the Court may approve and this Scheme, with such modification or addition, if any, also subject to any conditions, which the Court may impose.

- iv The provisions of this Scheme shall become binding and operative on the date (the "**Sanction Date**") that a certified copy of the order or orders of the Court under Section 279 of the Act, sanctioning this Scheme and making any necessary provisions under Section 282 of the Act shall have been filed with the Registrar of Companies, Securities and Exchange Commission of Pakistan, Lahore.
- (v) Notwithstanding that the Scheme becomes binding and operative on the Sanction Date, the merger of GTECH, and transfer to and vesting in GCIL, of the Undertaking and Business shall be deemed to have taken place on the Effective Date and shall be treated accordingly, as per the provisions of this Scheme.
- (vi) Except as expressly otherwise stated herein, following the Sanction Date, the Undertaking and Business shall be recorded in the books of account of GCIL at the respective values appearing in the books of account of GTECH on the date preceding the Effective Date.
- (viii) Without prejudice to the generality of the foregoing, the respective Board of Directors of GTECH and GCIL may generally or with regard to any specific issue or matter related to the execution and implementation of the Scheme, upon its due approval by the Court, authorize any person(s) or committee of persons to carry out such acts, deeds and things as may be deemed, from time to time, expedient and necessary for a proper and smooth implementation of the Scheme.
- (ix) The Board of Directors of GTECH and GCIL have given their assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which the Court and / or any other Authority, Body or Commission under law may deem fit to direct to impose or which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for implementing and / or carrying out the scheme and do all acts, deed and things is may be necessary or desirable or expedient for putting the scheme into effect.
- (x) For the purposes of giving effect to the scheme or any modification or amendment thereof, the directors of GCIL are hereby authorized by GTECH to given such directions and / or to take all such steps and actions as may be necessary or desirable including any direction for setting any question or doubt or difficulty whatsoever that may arise.
- (ii) As of the Sanction Date, the terms of this Scheme shall be binding on each of GTECH and GCIL and all their respective shareholders, members, employees, debtors and creditors and any person having any right or liability in relation to them.
- (iii) All the costs, charges and expenses incurred / to be incurred in relation to or in connection with the Scheme of Arrangement and of carrying into the implementation of the Scheme or incidental to the completion of the amalgamation/merger in pursuance of the scheme shall be borne and paid by GCIL.
- (iv) This Scheme shall become null and void subject to the following and in that event, no rights and liabilities shall accrue to or be incurred in terms of this Scheme:
- (iv) This Scheme shall become null and void subject to the following and in that event, no rights and liabilities shall accrue to or be incurred in terms of this Scheme:
 - (i) If the Scheme is not approved by the requisite majority of shareholders and members of any of GTECH and GCIL;
 - (ii) if sanction of the Court in respect of this Scheme is not obtained by such date (if any) as may be mutually agreed by the respective Board of Directors of GTECH and GCIL.
- (v) After the Sanction Date the shares of GCIL shall be technically listed on the Pakistan Stock Exchange in accordance with applicable rules and regulations.

MISCELLANEOUS

- vi. This Scheme shall be governed by and be construed in accordance with the substantive and procedural laws of Pakistan.
- vii. Section headings are solely for convenience of reference, and shall not affect the meaning or interpretation of this Scheme or any of its provisions.
- viii. The transfer, vesting and amalgamation of the Undertaking and Business in terms of this Scheme shall not: (i) constitute any assignment, devolution, conveyance, alienation, parting with possession, or other disposition under any law for the time being in force; (ii) give rise to any forfeiture; (iii) invalidate or discharge any contract; and (iv) give rise to any right of first refusal or pre-emptive right.
- ix. This Scheme is subject to the sanction of the Court and may be sanctioned in its present form or with any modification thereof or addition thereto as the Court may approve and this Scheme, with such modification or addition if any, is also subject to any conditions, which the Court may impose.

LISTING / DELISTING

- x. **G3 TECHNOLOGIES LIMITED** shall stand de-listed from the Pakistan Stock Exchange Limited on the date of allotment of shares by GCIL to the members of GTECH and on the same date, **Ghani Chemical Industries Limited** shall stand listed on the Pakistan Stock Exchange Limited, at the opening price based on P/E ratio which is determined on the bases of market equivalent share and earning potential of the merged balance sheet of both Companies as determined by the Auditors' Certificate after taking impact of swap ratio but it should not be less than the par value of share of GCIL, without any further, act, deed, formality or fee except that Ghani Chemical Industries Limited shall file the documentations as may be required by the Pakistan Stock Exchange Limited. Till such time the shares of Ghani Chemicals Industries Limited are listed on the Pakistan Stock Exchange Limited, the listed status of **G3 TECHNOLOGIES LIMITED** shall not be changed.



Atique Ahmad Khan
Chief Executive Officer
G3 Technologies Limited



Hafiz Farooq Ahmad
Chief Executive Officer
Ghani Chemical Industries Limited

Place: Lahore
Dated: April 14, 2022

SCHEDULE I

Description of Undertaking and Business

The Undertaking and Business shall comprise the entire Undertaking and Business of GTECH including but not limited the following:

- (i) the entire Undertaking and Business of GTECH;
- (ii) the assets and property of GTECH including, without limitation, properties of all kinds and by whatever title held and whether movable or immovable or tangible or intangible, and without limiting the generality of the foregoing in particular:
 - (a) any warehousing and office facilities (including all related infrastructure) together with all rights, easements, privileges and advantages appurtenant thereto or for the benefit thereof;
 - (b) all plant and equipment, spare parts, tools, motor vehicles, furniture, fixtures and fittings owned or leased;
 - (c) all stock-in-trade, inventory, stocks of fuels, raw materials, ingredients, packaging, office and laboratory supplies, engineering spares, consumable stores, work-in-progress, finished goods;
 - (d) all contracts which remain in whole or in part to be performed at the Sanction Date entered into by or subsisting in favor of GTECH, inclusive of all rights and obligations of GTECH arising thereunder;
 - (e) all agreements, trusts, leases, conveyances, grants, instruments of transfer, engagements, commitments and arrangements entered into by or subsisting in favour of GTECH, inclusive of all rights and obligations of GTECH arising thereunder;
 - (f) all historical and current documents, customer lists, product and supplier lists, catalogues, literature, employee records, documents of title, sales targets, sales statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or other promotional materials and accounting (including management account records) and other financial data whether in hard copy or in computer held form (including, for avoidance of doubt, such media as microfilm and microfiche);
 - (g) the land, building, premises leasehold or free hold;
 - (h) the connections and facilities for telecommunication owned by, or leased or licensed to, GTECH and utilized by it including telephones, telexes and facsimile and benefit of all payments and deposits made by GTECH in connection therewith;
 - (i) the connections, meters and other installations owned by, or leased or licensed to, GTECH for the supply of electricity, gas and water and the benefit of all payments and deposits made by GTECH in connection therewith;
 - (j) cash in the bank and other accounts of GTECH;
 - (k) all amounts owing (whether or not due for payment) or payable by GTECH and which are unpaid at the Sanction Date in respect of the supply of goods, raw materials, utilities and services, (including, without limitation, credit notes granted and advances received from suppliers or customers) to the extent arising exclusively or primarily in the ordinary course of business;
- (iii) all liabilities and obligations of GTECH including but not limited to:
 - (a) the liabilities of GTECH on account of taxes, including income tax, sales tax, octroi, infrastructure cess, customs duty, excise duty, stamp duties, registration fees, levies, deductions, imposts, and any other charges and withholdings whatsoever, together with any interest, markup or penalties payable in connection with any failure to pay or delay in paying any of the above, and the entitlements of GTECH to refunds, credits, advance payments or any other benefits in respect of any of the foregoing;

SCHEDULE II



SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

13162/G-59/2022

HM House,
7-Bank Square, Lahore.
Tel: +92 42 37235084-87
Email: lhr@hccpk.com
www.hccpk.com

Other Offices:
Karachi, Islamabad & Multan.

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

Lahore,
April 25, 2022

Dear Sirs,

MERGED STATEMENT OF FINANCIAL POSITION (SOFP) AS AT DECEMBER 31, 2021 OF GHANI CHEMICAL INDUSTRIES LTD. (GCIL) AFTER THE PROPOSED MERGER OF G3 TECHNOLOGIES LTD. (GTECH) WITH AND INTO GCIL

As desired, we detail below the captioned statement of financial position subject to the approval of Scheme of Merger by the Honourable Lahore High Court, Lahore:

	GCIL	GTECH	Merger adjustment		Merged
	Dec. 31, 2021 Audited	Dec. 31, 2021 Un-audited	GCIL	GTECH	SOFP of GCIL after merger with GTECH
----- Rupees in thousand -----					
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5,146,231	262,497	-	-	5,408,728
Right of use assets	396,771	-	-	-	396,771
Intangible assets	4,195	-	-	-	4,195
Investments	(A) 401,472	(A) 409,989	-	-	811,461
Long term deposits	67,193	-	-	-	67,193
	<u>6,015,862</u>	<u>672,486</u>			<u>6,688,348</u>
CURRENT ASSETS					
Stores, spares and loose tools	311,265	26,923	-	-	338,188
Stock-in-trade	50,305	-	-	-	50,305
Trade debts	959,496	36,275	-	-	995,771
Loans and advances	559,676	10,081	(B) (90,328)	-	479,429
Deposits, prepayments and other receivables	142,712	-	-	-	142,712
Tax refunds due from Government	19,783	17,760	-	-	37,543
Advance income tax	351,289	-	-	-	351,289
Short term investments	-	1,380,000	-	-	1,380,000
Cash and bank balances	292,206	47,235	-	-	339,441
	<u>2,686,732</u>	<u>1,518,274</u>			<u>4,114,678</u>
Non-current assets held for sale	52,250	-	-	-	52,250
TOTAL ASSETS	<u><u>8,754,844</u></u>	<u><u>2,190,760</u></u>			<u><u>10,855,276</u></u>

a member firm of *ShineWing* International

SWHE

	GCIL	GTECH	Merger adjustment		Merged
	Dec. 31, 2021 Audited	Dec. 31, 2021 Un-audited	GCIL	GTECH	SOFP of GCIL after merger with GTECH
----- Rupees in thousand -----					
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Share capital	3,597,550	2,498,711	(C) 749,613	(D) (2,498,711)	4,347,163
Share premium	300,000	-	-	-	300,000
Revaluation surplus on freehold and leasehold land	298,773	-	-	-	298,773
Gain to be arisen upon merger of GTECH with GCIL	-	-	(E) 1,342,746	-	1,342,746
Unappropriated profit / (accumulated loss)	1,005,103	(406,352)	-	(F) 406,352	1,005,103
TOTAL EQUITY	5,201,426	2,092,359			7,293,785
NON-CURRENT LIABILITIES					
Long term finances	675,011	-	-	-	675,011
Redeemable capital - Sukuk	270,833	-	-	-	270,833
Long term security deposits	52,886	-	-	-	52,886
Lease liabilities	5,492	-	-	-	5,492
Deferred liabilities	420,418	-	-	-	420,418
	1,424,640	-			1,424,640
CURRENT LIABILITIES					
Trade and other payables	333,318	95,715	-	(B) (90,328)	338,705
Unclaimed dividend	-	491	-	-	491
Accrued profit	47,069	-	-	-	47,069
Short term borrowings	1,208,369	-	-	-	1,208,369
Current portion of non-current liabilities	408,534	-	-	-	408,534
Taxation	131,488	2,195	-	-	133,683
	2,128,778	98,401			2,136,851
TOTAL LIABILITIES	3,553,418	98,401			3,561,491
TOTAL EQUITY AND LIABILITIES	8,754,844	2,190,760			10,855,276

SWHE

(A) The Board of Directors of GCIL and GTECH, in their meetings held on April 14, 2022, have resolved to disinvest the cross holdings in each other.

(B) Represents adjustment of Inter Company balances.

(C) Represents issuance of 0.30 share of GCIL for every one share of GTECH.

(D) Represents cancellation of paid-up share capital of GTECH upon merger with and into GCIL.

(E) Gain to be arisen upon merger has been worked-out as follows:

	Rs. in thousand
Net assets of GTECH as at December 31, 2021	2,092,359
Share capital to be issued to the shareholders of GTECH (A)	(749,613)
Gain to be arisen upon merger of GTECH with and into GCIL	<u>1,342,746</u>

(F) Represents adjustment of accumulated loss of GTECH upon merger with and into GCIL.

CAVEATS

- 1 This certificate has been prepared on the specific request of management for filing of a merger petition with the Honourable Lahore High Court, Lahore and shall not be used for any other purpose.
- 2 Balances of GTECH, incorporated in this certificate, are based upon reviewed financial statements for the period of six months ended December 31, 2021 reviewed by another firm of Chartered Accountants, who expressed an unmodified conclusion on those financial statements dated February 28, 2022.

Yours truly,

ShineWing Hameed Chaudhri & Co.

SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

Extra-Ordinary General Meeting

FORM OF PROXY

I/We _____

of _____

being a member of _____ LIMITED^(*)

hereby appoint _____

of _____

failing him _____

as my / our Proxy to attend act and vote for me/us on my/our behalf at Extra-Ordinary General Meeting of the members of the Company to be held at Registered Office of the Company 10-N, Model Town Lahore on Tuesday, May 31, 2022 and at any adjournment(s) thereof.

Signed this _____ day of _____ 2022

Sign by the said Member

Signed in the presence of:

1. Signature: _____

Name: _____

Address: _____

CNIC/Passport No. _____

2. Signature: _____

Name: _____

Address: _____

CNIC/Passport No. _____

Affix
Revenue
Stamp of
Rs.5/

غیر معمولی اجلاس عام پراکسی فارم

میں مسٹی/مسماة _____ ساکن _____

ضلع _____ بحیثیت ممبر _____ لمیٹڈ (* مسٹی/مسماة _____

ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے غیر

معمولی اجلاس عام جو بتاریخ منگل 31 مئی 2022 کو کمپنی کے رجسٹرڈ لاہور آفس میں منعقد ہو رہا ہے میں اور اس کے کسی ملتوی شدہ اجلاس میں شریک ہو، عمل کرے اور ووٹ ڈالے۔

آج بروز _____ بتاریخ _____ 2022ء کو دستخط کئے گئے۔

دستخط ممبر

گواہان:

- | | |
|-------------------------|-------------------------|
| 1. دستخط: _____ | 2. دستخط: _____ |
| نام: _____ | نام: _____ |
| پتہ: _____ | پتہ: _____ |
| شناختی کارڈ نمبر: _____ | شناختی کارڈ نمبر: _____ |

پانچ روپے
مالیت کے رسیدی
ٹکٹ پر دستخط

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Ghani Global Group

Corporate Office:

10-N, Model Town Ext., Lahore 54000, Pakistan. UAN: 111 GHANI 1 (442-641)

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