

GGL/Corp/PSX

October 14, 2022

The General Manager,

Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road-KARACHI.

SUBJECT: DISCLOSURE OF MATERIAL INFORMATION

Dear Sir,

In accordance with the applicable provisions of the Securities Act, 2015 and the Rule Book of Pakistan Stock Exchange Limited, we are pleased to convey the following information on behalf of Ghani Chemical Industries Limited (GCIL/ one of the subsidiary Companies and the largest manufacturer of medical and industrial gases in Pakistan.

The Honorable Lahore High Court, Lahore in its order **C.O. No. 25797/22** dated October 11, 2022 has approved the Merger Scheme of Compromises, Arrangement and Reconstruction ('The Scheme') under Section 279 to 283 and 285 of The Companies Act, 2017 amongst **G3 Technologies Limited** with and into **Ghani Chemical Industries Limited** as follows:

Ghani Chemical Industries Limited (GCIL)	-	Transferee
G3 Technologies Limited (GTECH)	-	Transferor
Surviving Entity	-	GCIL
Sanction Date	-	October 14, 2022

Both companies will complete the requisites procedures within due course of time.

As per the approved Scheme, the formula for the determination of the opening price of GCIL shares on the start of its share trading on PSX shall be in accordance with Article 6 (clause X), which states that "the opening price of GCIL shall be based on P/E ratio, which is determined on the basis of market equivalent share and earning potential of the merged balance sheet of both companies, as determined by the Auditor's Certificate, after taking impact of swap ratio, but it should not be less than the par value of share of GCIL".

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

Very Truly Yours

GHANI GLOBAL HOLDINGS LIMITED

FARZAND ALI

Company Secretary

Encl: Court Order dated October 11, 2022

CC: Executive Director / HOD, Offsite-II Department, Supervision Division Securities & Exchange Commission of Pakistan, Islamabad

Corporate Office:

10-N, Model Town Ext. Lahore - 54000, Pakistan. UAN: 111-Ghani1, Ph: +92-42-35161424-5, Fax: +92-42-35160393
E-mail: info.holdings@ghaniglobal.com, Web: www.ghaniglobal.com

ORDER SHEET
IN THE LAHORE HIGH COURT, LAHORE
JUDICIAL DEPARTMENT

C.O. No.25797/2022

In the matter of:

GHANI CHEMICAL INDUSTRIES LIMITED AND AN OTHER

S. No. of order/ proceedings	Date of order/ proceedings	Order with signature of Judge, and that of parties or counsel, where necessary.
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11.10.2022	M/s Barrister Ahmad Pervaiz and Ali Umrao, Advocates for the petitioners. Hafiz Tallha, Advocate for the SECP.
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MERGER ORDER

This is a joint petition by petitioners under section 279 to 283 and 285 of the Companies Act, 2017 (Act) read with SRO 840(I)/2017 dated 24.08.2017 (SRO) and all other enabling provisions of law for sanction of the Scheme of Compromises, Arrangements and Reconstruction.

2. Through this petition, the petitioners are seeking sanction of this Court to the Scheme of Arrangement to merge the petitioner No.2/G-3 Technologies Limited (G Tech) along with its business, assets and undertakings into petitioner No.1/Ghani Chemical Industries Limited (GCIL). The said Scheme has been approved by the Board

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of Directors of petitioners in their Board Meeting dated 14.04.2022.

OBJECT OF THE SCHEME

3. The scheme envisages that in consequences of the merger, there will be a viable unit of petitioner No.1, the administrative/overhead costs will be less and thus the operations will be more profitable. There will also be an increase in personnel efficiency by way of concordant control. The consequential improvement in operations, manufacturing and production of petitioner companies will eventually result to the benefit of the shareholders, employees, consumers and other in general.

**STATUS OF THE
PETITIONERS/COMPANIES**

4. Petitioner No.1 is a public company limited by shares and has an authorized share capital of Rs.55,00,000,000/- divided into 550,000,000 ordinary shares of Rs.10 each. Petitioner No.1 has paid up capital of Rs.3597,550,000/- divided into 359,755,000 ordinary shares of Rs.10 each. The petitioner No.2 is listed public limited company and has an authorized share capital of Rs.2500,000,000/- divided into 250,000,000 shares

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of Rs.10 each. The petitioner No.2 has an issued, subscribed and paid up capital of Rs.249,871,280/- divided into 249,871,128 ordinary shares of Rs.10 each.

BENEFITS OF MERGER

5. The benefits of merger are mentioned in preamble of the Scheme of Arrangement that will inter-alia bring significant value addition for the members of both the companies.

PROCESS ADOPTED BY THE COURT

6. Vide Order dated 26.04.2022, Mr. Muhammad Saram Shahid, Advocate and Mr. Saqib Haroon Chishti, Advocate were appointed as Chairmen/Local Commissions to call and hold Extraordinary Meeting of the petitioners-companies under Section 279(1) of the Act read with Rule 55 & 61 of the Companies (Court) Rules, 1997 (Rules). The notices were issued to the SECP as well as secured and unsecured creditors of the petitioners-companies. The notices were also issued to the Competition Commission of Pakistan (CCP).

7. The learned Chairmen on 30.06.2022 have submitted their report dated 07.06.2022, according to which Extraordinary General Meeting of the

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petitioners/ companies was held on 31.05.2022, wherein Shareholders unanimously approved the said Scheme of Merger.

OBJECTIONS TO MERGER

8. No objection was filed on behalf of CCP or any of the Creditors and Shareholders of petitioners to the Scheme of Merger. The SECP filed objections to the Scheme of Merger, which were also recorded in order dated 28.09.2022. However, today the learned counsel for the SECP submits that as all the objections raised by the SECP have been removed by the petitioners, therefore on instructions, he has no objection for approval of the Scheme of Arrangement/Merger.

STAMP DUTY / TAXES

9. Transfer of any immovable property under the Scheme shall be subject to applicable taxes and duties including of stamp duty. Further if the concerned Government/authorities discover that any immovable property is being transferred under the Scheme of Merger, it will be at liberty to raise the question regarding imposition of duties in accordance with law.

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**SANCTION OF THE SCHEME OF
ARRANGEMENT/MERGER**

10. The Scheme of Arrangements for Merger/reconstruction prima-facie is not prejudicial to the interest of members and creditors of the petitioners/companies. This Court is, therefore, satisfied with the merits of the Scheme, (which is placed on record as "Annexure-A") and has been duly stamped and signed by the Additional Registrar (Court) of this Court). The Scheme is, therefore, sanctioned and it will take effect in terms thereof.

11. The petitioners are directed to submit certified copy of this order with the SECP as required under Section 279 to 283 and 285 of the Act.

12. The Scheme of Arrangements for Merger/reconstruction is duly sanctioned for above reasons and shall be effective in accordance with Article 6 of the Scheme. C.O. is allowed in the above terms.

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Rizaz Ahmad

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Lahore Bench, Court of Sessions


(ABID AZIZ SHEIKH)
JUDGE

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IN THE LAHORE HIGH COURT, LAHORE

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Lahore High Court, Lahore

C.O. No. 25797 /2022

In the matter of:

1. GHANI CHEMICAL INDUSTRIES LIMITED

having its registered office at
10-N, Model Town Ext. Lahore
In the Province of Punjab.

... Petitioner No. 1

2. G3 TECHNOLOGIES LIMITED

having its registered office at
10-N, Model Town Ext. Lahore
In the Province of Punjab.

... Petitioner No. 2

JOINT PETITION by the Petitioners under Sections 279 to 283 and 285 of the Companies Act, 2017 read with SRO No.840(I)/2017 dated 24.08.2017 and all other enabling provisions of law for sanction of the Scheme of Compromises, Arrangements and Reconstruction

Respectfully sheweth:

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1. That this Petition seeks the sanction of this Honourable Court pursuant to Sections 279 to 283 read with Section 285(8) of the Companies Act, 2017 (the "Act") for a Scheme of Compromises, Arrangements and Reconstruction for amalgamation (the "Scheme") between the Petitioner No. 1 and its members and the Petitioner No. 2 and its members. Further it is sought to obtain certain facilitating orders of this Honourable Court under Section 282 of the Act in connection with the said amalgamation.

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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)



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C.O. No. 142/2018
Examiner (Commercial Branch)
Lahore High Court, Lahore

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PREAMBLE

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.



Muhammad Asad
3 Addl: Registrar (Court)
Lahore High Court, Lahore



Copy of Scheme of Arrangement
Lahore High Court, Lahore

ARTICLE-1 - DEFINITIONS

DEFINITIONS

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.



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Lahore High Court Lahore



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ARTICLE-2 – SHARE CAPITAL AND MANAGEMENT

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

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

Designation

Chairman
Chief Executive Officer/Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Non-Executive Director



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Lahore High Court Lahore



GHANI CHEMICAL INDUSTRIES LIMITED

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

AUTHORISED	Rs.
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



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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.



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 Lahore High Court Lahore



- * All the employment contracts and obligations there under of the GTECH shall stand transferred to the GCIL.
- 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.

Muhammad Asad
Addl. Registrar (Court)
Lahore High Court Lahore



ARTICLE-4 - SHARES

CONSIDERATION

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;

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Lahore High Court Lahore

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.

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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.



Muhammad Asif
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ARTICLE-5 – RIGHTS AND OBLIGATIONS OF GCIL AND GTECH

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

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.

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Lahore High Court Lahore



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.
- (vii) Each of GTECH and GCIL shall take all actions and execute all formalities considered by their respective Board of Directors necessary and expedient to properly and smoothly cause the transfer and vesting of the Undertaking and Business in the manner stated herein, and shall carry out and execute this Scheme pursuant to and in accordance with the order of the Court.

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 Lahore High Court Lahore.



- ii) 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 the event, no rights and liabilities shall accrue to or be incurred in terms of this Scheme:
- if the Scheme is not approved by the requisite majority of shareholders and members of any of GTECH and GCIL;
 - 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.

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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.


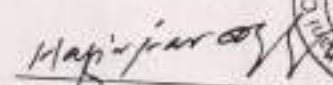
LISTING / DELISTING

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.

Place: Lahore
Dated: April 14, 2022


Muhammad Asad
Addl. Registrar (Court)
Lahore High Court Lahore.


Atique Ahmad Khan
Chief Executive Officer
G3 Technologies Limited



Hafiz Farooq Ahmad
Chief Executive Officer
Ghani Chemical Industries
Limited

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Examiner
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Lahore High Court, Lahore


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SCHEDULE 1

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 accounts, records and other financial data whether in hard copy or in computer hard form (including, for avoidance of doubt, such media as microfilm and microfiche);
 - g) all claims, book trade and other debts or sums (including suppliers' credit notes) due, owing, accrued or payable to GTECH (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and other receivables, investments (both short term and long term, including without limitation, investments in shares, debentures, debt instruments and other securities), cash in hand and at bank, or other depositories;


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- i) the land, building, premises leasehold or free hold;
- j) 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;
- j) 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;
- k) cash in the bank and other accounts of GTECH;
- (iii) all liabilities and obligations of GTECH including but not limited to:
 - a) 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;
 - b) 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;
 - c) the capital reserves, revenue reserves, un-appropriated profits and losses, and revaluation surpluses of GTECH;
- (iv) the contracts of employment and all rights, obligations and liabilities of GTECH arising after the Effective Date under such contracts or otherwise, including such liabilities payable on termination of service by way of gratuity, redundancy, superannuation, provident fund, pension or, post-retirement medical facilities otherwise;
- (v) all other rights, powers, authorities and privileges of GTECH, including, without limitation:
 - a) all registrations, licenses, permits, authorizations, sanctions, permissions and approvals issued or granted by any government, governmental department or agency, or any statutory, local authority or any municipal corporation to GTECH;
 - b) all concessions, entitlements duty and tax exemptions and remissions;

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- c) all credits and refunds on account of sales tax, customs duty, octroi and other duties, taxes, levies, fees, charges, or imposts paid on account of, or in connection with, the purchase, acquisition or import of plant machinery equipment, spares, raw and packing and other materials; and
- d) rights against third parties (including sub-contracts and any retention of title rights).
- (vi) all liabilities, including those relating to health, safety and environment, to the extent arising exclusively or primarily in the ordinary course of business, arising as a result of GTECH's failure to comply with any relevant and legally enforceable corporate or other laws, rules, ordinances, or regulations prior to the Sanction Date;
- (vii) all liabilities, including those relating to health, safety and environment, to the extent arising exclusively or primarily in the ordinary course of business, arising as a result of GTECH's failure to obtain any required relevant governmental or regulatory permit, license, consent or other authorization or renewal or variation thereof prior to the Sanction Date;
- (viii) any suit, action, arbitration, charge, governmental investigation, claim, litigation or proceedings, costs, demands and expenses relating to paragraphs as above.


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