

GHANI CHEMICAL INDUSTRIES LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an **Extra-Ordinary General Meeting** (EOGM) of shareholders of **Ghani Chemical Industries Limited** (the Company/GCIL) will be held on Saturday, **April 12, 2025 at 12:00 Noon** at registered office of the Company at 10-N, Model Town Ext., Lahore to transact the following special business:-

SPECIAL BUSINESS

1. To consider and if deemed fit, to pass the following resolutions as special resolutions under section 199 of the Companies Act, 2017, with or without modification(s), addition(s) or deletion(s) as recommended by the board of directors:

Resolved That pursuant to the requirements of Section 199 of the Companies Act, 2017, Ghani Chemical Industries Limited (GCIL/the Company) be and is hereby authorized to make investment up to PKR 1,500 million in Ghani ChemWorld Limited (GCWL) an associated/subsidiary company of GCIL, by way of advances and loans, as and when required by GCWL, provided that the return on such advances and loans shall not be less than rate of 3 months KIBOR +110 bps and that such advances and loans shall be repayable within three (3) years period starting from the date of payment of such advances and loans as per other terms and conditions mentioned in the statement under Section 134(3) of the Companies Act, 2017.

“FURTHER RESOLVED THAT the above said resolutions shall be valid for a period of three years starting from the date of approval by shareholders of the Company and the Chief Executive Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to undertake the decision of said investment as and when required and to do all such acts , deeds, matters and things as may be deemed necessary, proper or considered expedient for the purpose of giving effect to the abovementioned resolution and/or may be directed by the Securities & Exchange Commission of Pakistan (SECP) and such amendment, modification, addition or deletion shall be deemed to be have been approved as part of the special resolution without the need of members to pass a fresh Special Resolution.”

By Order of the Board

Place: Lahore:
Dated: March 20, 2025

Farzand Ali
Company Secretary

NOTES:

1. Book Closure:

Share Transfer books of the Company will remain closed and no transfer of shares will be accepted from **April 10, 2025 to April 16, 2025** (both days inclusive). Transfer receive in order at the office of the share registrar:

M/s Corplink (Private) Limited,
1-K, Commercial Model Town, Lahore
Telephone No. 042-36375531, 36375339
Fax No. 042-36312550, E-mail: shares@corplink.com.pk

at the close of business on Friday April 09, 2025 will be treated in time for the purpose of attending the EOGM.

2. Attendance of the Meeting

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, filled 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.

The Company has made arrangements to ensure that all participants, including shareholders, can now 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 eogmgcil2025@ghaniglobal.com, for their appointment/registration and proxy verification by or before Thursday April 10, 2025 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 Thursday April 10, 2025.

Shareholders can also provide their comments and questions for the agenda items of the EOGM at the email address eogmgcil2025@ghaniglobal.com.

Shareholders are encouraged to attend the EOGM through video link or by consolidating their attendance through proxies.

3. Postal ballot facility:

In accordance with the Companies (Postal Ballot) Regulations, 2018, the right to vote through electronic voting facility and voting by post shall be provided to members of the Company in the manner and subject to conditions contained in the Regulations.

4. General:

Members holding shares in physical form are requested to promptly notify Company's share registrar, M/S Corplink (Private) Limited, of any change in their postal/email addresses. Members maintaining their shares in CDS should have their address/ email addresses updated with their relevant Participant/CDC account services. For any query/problem/information, the investors may contact Mr. Farzand Ali at + 92 42 35161424-5 and e-mail address farzandali@ghaniglobal.com and/ M/s Corplink (Private) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

The statement sets out the material facts concerning the special business to be transacted at the EOGM of the Company to be held on Saturday April 12, 2025.

Agenda Item No.1:

The Board of Directors of Ghani Chemical Industries Limited has proposed the investment up to Rs. 1,500 million in shape of loans and advances in Ghani ChemWorld Limited being subsidiary/associated undertaking of the Company.

Ghani ChemWorld Limited (GCWL) was incorporated on July 31, 2024. Undertaking of "Calcium Carbide Project" of Ghani Chemical Industries Limited (GCIL) is being transferred from GCIL to GCWL under the Demerger/Merger Scheme of Compromises, Arrangement and Reconstruction ("The Scheme") approved by the Honorable Lahore High Court, Lahore vide its order dated February 20, 2025 in Civil Original No. 65259 of 2024

against allotment of ordinary shares of GCWL to the shareholders of GCIL under swap ratio of 1:2 (50 shares of GCWL against every 100 shares of GCIL).

The purpose of investment is to provide finance by way of advances and loans, as and when required by GCWL.

The information required under SRO 1240(1)/2017 dated 06 December 2017 are as under:

(a) DISCLOSURES:

(A) Regarding associated company or associated undertaking

Requirement	Loans and Advances in Ghani ChemWorld Limited
Name of the associated company	Ghani ChemWorld Limited (GCWL). Ghani ChemWorld Limited (GCWL) was incorporated on July 31, 2024 under Companies Act, 2017 as wholly owned subsidiary of Ghani Chemical Industries Limited (GCIL).
Basis of Relationship	Wholly owned subsidiary/associated company and Common Directorship.
Earnings/(Loss) per share for the last three years	2022: Not Applicable 2023: Not Applicable 2024: Not Applicable Ghani ChemWorld Limited was incorporated on July 31, 2024.
Breakup value per share, based on latest audited financial statements	Not Applicable Note: Ghani ChemWorld Limited (GCWL) was incorporated on July 31, 2024. Undertaking of "Calcium Carbide Project" of Ghani Chemical Industries Limited (GCIL) is being transferred from GCIL to GCWL under the Demerger/Merger Scheme of Compromises, Arrangement and Reconstruction ('The Scheme') approved by the Honorable Lahore High Court, Lahore vide its order dated February 20, 2025 in Civil Original No. 65259 of 2024 against allotment of ordinary shares

	of GCWL to the shareholders of GCIL under swap ratio of 1:2 (50 shares of GCWL against every 100 shares of GCIL).																																		
Financial position, including main items of balance sheet and profit and loss account on the basis of its latest financial statements;	<p>Audited Financial Statements for the period ended from July 31, 2024 to February 20, 2025 showed:</p> <table border="0"> <tr> <td>Profit& Loss:</td> <td style="text-align: right;">Rupees</td> </tr> <tr> <td>Sales (net)</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Admin and General expenses</td> <td style="text-align: right;">237,387</td> </tr> <tr> <td>Other income</td> <td style="text-align: right;">48</td> </tr> <tr> <td>Finance Cost</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Loss after taxation</td> <td style="text-align: right;">237,387</td> </tr> <tr> <td colspan="2">Financial Position:</td> </tr> <tr> <td>Non-current Assets</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Current assets</td> <td style="text-align: right;">265,951</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">265,951</td> </tr> <tr> <td>Paid up Capital</td> <td style="text-align: right;">500,000</td> </tr> <tr> <td>Accumulated Profit/(Loss)</td> <td style="text-align: right;">(237,387)</td> </tr> <tr> <td>Total Equity</td> <td style="text-align: right;">262,613</td> </tr> <tr> <td>Non-current Liabilities</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Current liabilities</td> <td style="text-align: right;">3,338</td> </tr> <tr> <td>Total Equity and Liabilities</td> <td style="text-align: right;">265,951</td> </tr> </table>	Profit& Loss:	Rupees	Sales (net)	--	Gross profit	--	Admin and General expenses	237,387	Other income	48	Finance Cost	--	Loss after taxation	237,387	Financial Position:		Non-current Assets	--	Current assets	265,951	Total Assets	265,951	Paid up Capital	500,000	Accumulated Profit/(Loss)	(237,387)	Total Equity	262,613	Non-current Liabilities	--	Current liabilities	3,338	Total Equity and Liabilities	265,951
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(B)General Disclosures:

Maximum amount of investment to be made	Up to Rs. 1,500 million in shape of loan and advances.
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To earn profits on Company's funds
Sources of funds to be utilized for investment	Through internal sources, equity issue and/or other options are under planning.

salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Agreement will be executed before extending the advance and loans in accordance with the terms and conditions, as approved by the shareholders.																																	
direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	<p>Currently shareholding position of the following directors and majority shareholders of the Company (Ghani Chemical Industries Limited) in associated/subsidiary company Ghani ChemWorld Limited (GCWL) is as under:</p> <table border="1" data-bbox="824 667 1455 1522"> <thead> <tr> <th data-bbox="824 667 1079 745">Names of Directors</th> <th data-bbox="1079 667 1274 745">Number of Shares</th> <th data-bbox="1274 667 1455 745">Holding %</th> </tr> </thead> <tbody> <tr> <td data-bbox="824 787 1079 865">Mr. Masroor Ahmad Khan</td> <td data-bbox="1079 787 1274 865">1</td> <td data-bbox="1274 787 1455 865">0.002</td> </tr> <tr> <td data-bbox="824 886 1079 963">Mr. Atique Ahmad Khan</td> <td data-bbox="1079 886 1274 963">1</td> <td data-bbox="1274 886 1455 963">0.002</td> </tr> <tr> <td data-bbox="824 984 1079 1062">Hafiz Farooq Ahmad</td> <td data-bbox="1079 984 1274 1062">1</td> <td data-bbox="1274 984 1455 1062">0.002</td> </tr> <tr> <td data-bbox="824 1083 1079 1161">Mrs. Rabia Atique</td> <td data-bbox="1079 1083 1274 1161">1</td> <td data-bbox="1274 1083 1455 1161">0.002</td> </tr> <tr> <td data-bbox="824 1182 1079 1260">Hafiz Imran Lateef</td> <td data-bbox="1079 1182 1274 1260">1</td> <td data-bbox="1274 1182 1455 1260">0.002</td> </tr> <tr> <td data-bbox="824 1281 1079 1358">Sheikh M. Saleem Ahsan</td> <td data-bbox="1079 1281 1274 1358">--</td> <td data-bbox="1274 1281 1455 1358">--</td> </tr> <tr> <td data-bbox="824 1379 1079 1417">Mr. M. Hanif</td> <td data-bbox="1079 1379 1274 1417">--</td> <td data-bbox="1274 1379 1455 1417">--</td> </tr> <tr> <td data-bbox="824 1438 1079 1516">Ghani Global Holdings Limited</td> <td data-bbox="1079 1438 1274 1516">--</td> <td data-bbox="1274 1438 1455 1516">--</td> </tr> </tbody> </table> <p data-bbox="824 1558 1455 1675">GCWL holds no shares in GCIL. The Sponsoring directors of GCWL hold the following shares in GCIL:</p> <table border="1" data-bbox="824 1717 1455 1871"> <thead> <tr> <th data-bbox="824 1717 1079 1795">Names of Directors</th> <th data-bbox="1079 1717 1274 1795">Number of Shares</th> <th data-bbox="1274 1717 1455 1795">Holding %</th> </tr> </thead> <tbody> <tr> <td data-bbox="824 1837 1079 1871">Mr. Masroor</td> <td data-bbox="1079 1837 1274 1871"></td> <td data-bbox="1274 1837 1455 1871"></td> </tr> </tbody> </table>	Names of Directors	Number of Shares	Holding %	Mr. Masroor Ahmad Khan	1	0.002	Mr. Atique Ahmad Khan	1	0.002	Hafiz Farooq Ahmad	1	0.002	Mrs. Rabia Atique	1	0.002	Hafiz Imran Lateef	1	0.002	Sheikh M. Saleem Ahsan	--	--	Mr. M. Hanif	--	--	Ghani Global Holdings Limited	--	--	Names of Directors	Number of Shares	Holding %	Mr. Masroor		
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	Ahmad Khan	1,793,434	0.359
	Mr. Atique Ahmad Khan	1,793,434	0.359
	Hafiz Farooq Ahmad	1,816,536	0.363
	Mrs. Rabia Atique	1,532,328	0.306
	Mrs. Saira Farooq	1531,858	0.310
	Hafiz Imran Lateef	502	0.000
	Mr. Mahmood Ahmed	177,001	0.035
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	NIL		
In case of Equity Investment	NIL		
In case of Investment in form of Guarantee	NIL		

(C) In case of Investment in form of Loans and Advances

Category wise amount of investments.	Rs. 1,500 million as long term loans and advances
Average borrowing cost of the investing company	3 months KIBOR + 110bps
Rate of interest, markup, profit, fees or commission etc. to be charged	3 months KIBOR + 110bps but not less than annual average borrowing cost
Particulars of collateral security to be obtained in relation to the proposed investment.	Ghani ChemWorld Limited (GCWL) will issue demand promissory note amount in favor of Ghani Chemical Industries Limited For Rs. 1,500 million. Furthermore, the sponsoring directors of Ghani ChemWorld Limited will issue personal guarantees in favor of Ghani Chemical Industries Limited, equivalent to Rs. 1,500 million.

If the investment carry conversion features:	NIL
Repayment schedule and terms & conditions of loans or advances to be given to the associated company or associated undertaking.	<p>Repayment of loan will be within three years from the date of payment with payment of profit on quarterly basis.</p> <p>Any other term or conditions approved by shareholders of the company.</p>

In pursuance to Regulation No. 3(3) of the Companies (Investment in Associated Companies or Associated undertakings) Regulations, 2017 under SRO 1240(1)/2017 dated 6 December 2017, the directors of the Company have carried our due diligence for the proposed investment before recommending for member's approval.

The following documents shall be available to the members of the Company for inspection in the EOGM to be held on Saturday April 12, 2025.

- Recommendations of due diligence report of investing company.
- Financial statements.
- Demerger/Merger Scheme approved by the Lahore High Court, Lahore.