

CORPORATE BRIEFING

11 OCTOBER 2024

 **Ghani Chemical Industries Limited**
Leading Supplier of Medical & Industrial Gases



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



ABOUT COMPANY

- ❖ A group company of Ghani Global Group
- ❖ Subsidiary of Ghani Global Holdings Limited
- ❖ Public limited company, listed at PSX



INTRODUCTION

GCIL!

- ❖ The largest manufacturing facility in Pakistan in Industrial & Medical Gases.
- ❖ Setting up import substitute Calcium Carbide Manufacturing Project.



GCIL-I :

- 1st ASU Plant Commissioned in May 2009,
- Production Capacity 110TPD
- Located near Lahore at 52KM Multan Road, District Kasur
- Spread over on a vast area of 109 Kanals of land.

GCIL - II:

- 2nd ASU Plan Commissioned in March 2014,
- Production capacity 110TPD
- Located at Port Qasim, Karachi.
- Area of 5 acre

GCIL - III :

- 3rd ASU Plant Commissioned in July 2019.
- Production Capacity 110TPD
- Located near Lahore at 52 KM Multan Road, District Kasur

GCIL - IV :

- 4th ASU Plant Commissioned in 2022,
- Dedicated for M/s. Engro Polymer Chemicals Limited for 15 years supply contract.
- Located at Port Qasim, Karachi.

GCIL -V - Hattar:

- 5th ASU Plant, hopefully will in operation during November 2024, In-Sha-Allah
- Prod. Capacity 275 TPD
- The largest manufacturing plant of industrial & medical gases in Pakistan with high efficiency and cost effectiveness.
- Location, Hattar Special Economic Zone, KPK



ISO CERTIFICATIONS



FINANCIAL HIGHLIGHTS

Rs. in Millions Except EPS

PKRmn	FY 24	FY 23	FY 22	FY 21	FY 20	FY19	FY18	FY17	FY16
Sales - Gross	6,395	5,123	4,909	4,351	2,333	2,629	2,330	2,053	2,013
Gross Profit	1,613	1,460	1,749	1,657	494	579	639	569	576
Administrative selling and Distributive & other Expenses	491	484	597	537	425	414	375	314	260
Other income	551	331	285	55	29	25	18	23	78
Profit before tax	1,283	932	1,208	967	(224)	(24)	159	181	277
Profit after tax	785	508	871	691	(161)	(64)	158	137	162
Earning per share (EPS)	1.58	1.06	2.05	4.88	(1.22)	(0.56)	1.19	1.10	1.90
EBITDA	1,864	1,475	1,587	1,310	211	316	388	366	469
EBIT	1,673	1,307	1,456	1,175	97	189	282	278	394



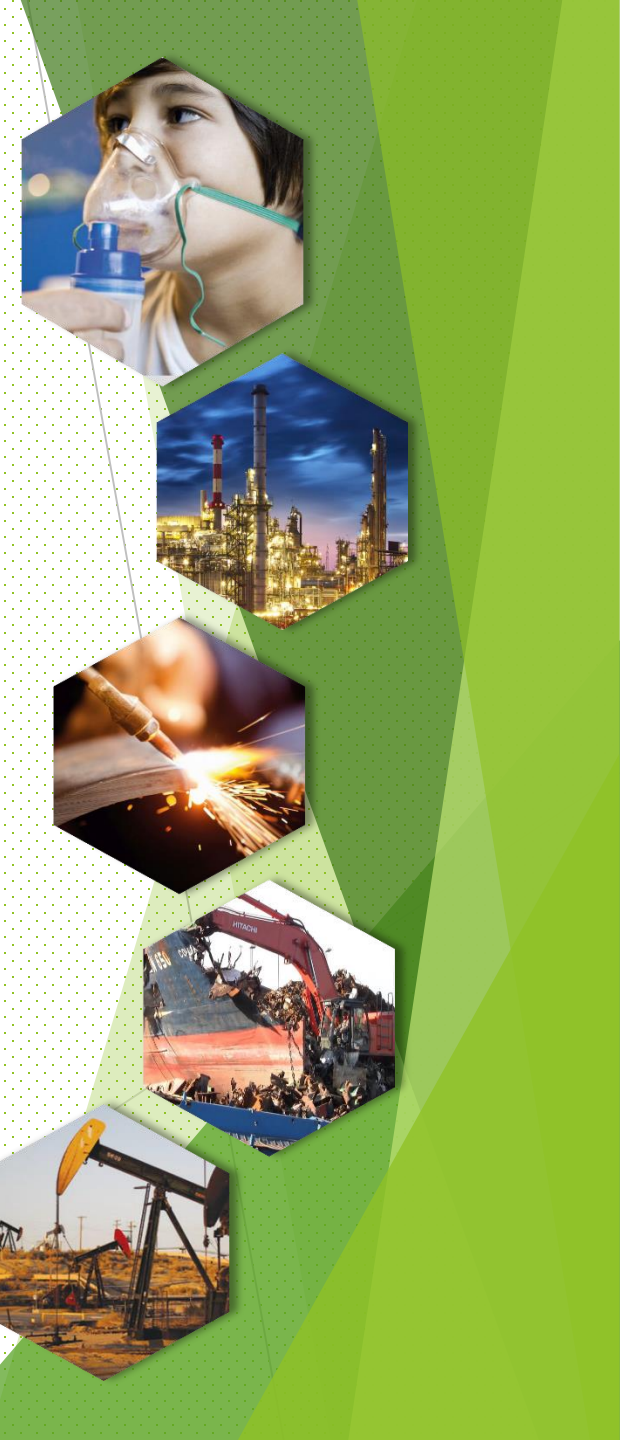
FINANCIAL HIGHLIGHTS

Rs. in Millions

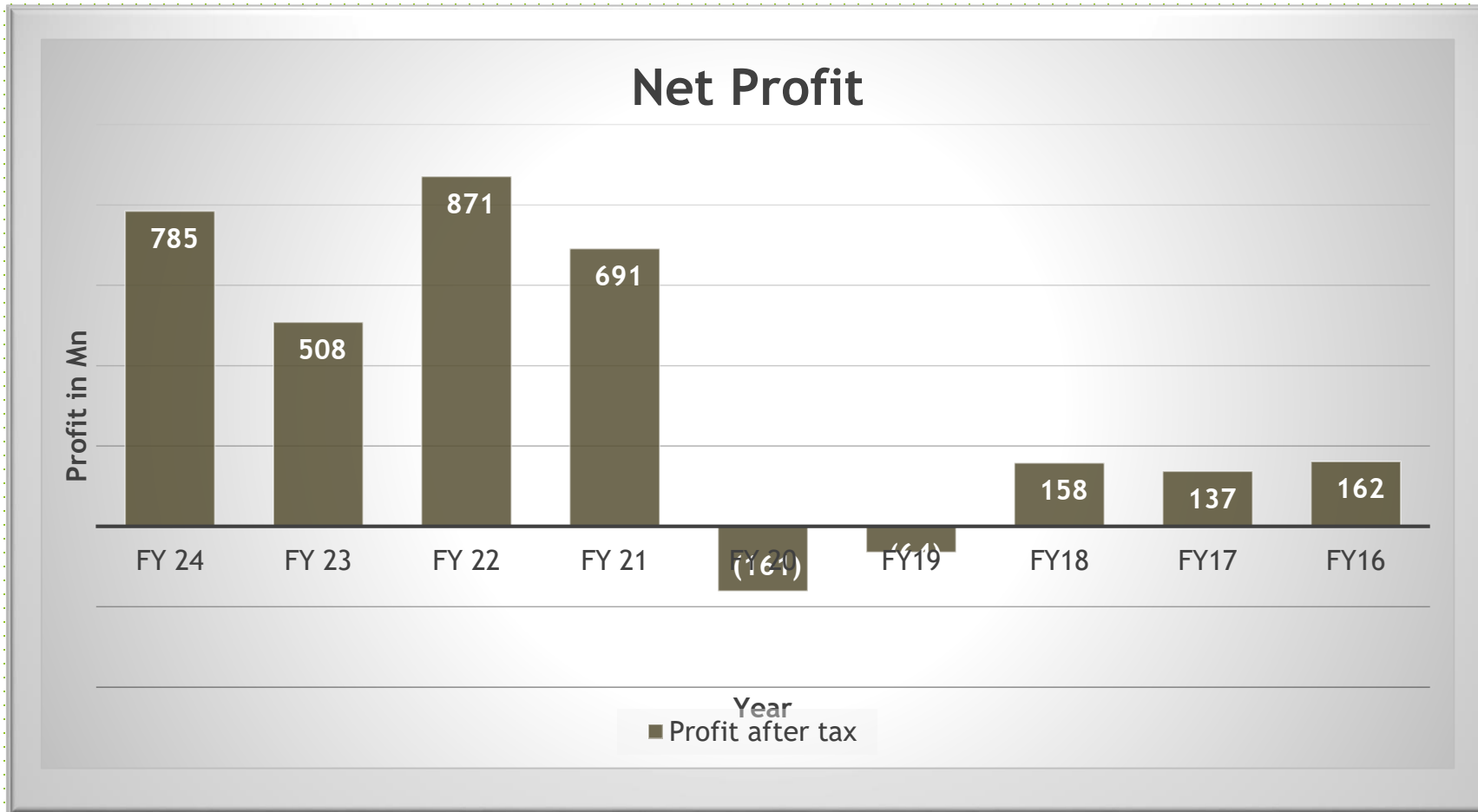
PKRmn	FY 24	FY 23	FY 22	FY 21	FY 20	FY19	FY18	FY17	FY16
No of Shares	5,001.88	5,001.00	4,347.00	153.53	115.00	115.00	132.27	124.78	124.78
Shareholder Equity	9,852	8,829	7,604	2,912	2,099	2,241	2,738	2,988	2,713
Total long term liability	3,349	1,988	1,426	1,344	1,423	1,144	1,162	1,322	654
Total Current Liabilities	3,678	2,310	2,406	1,734	1,854	1,781	1,426	655	1,534
Total Equity & Liabilities	16,879	13,126	11,435	5,990	5,375	5,166	5,327	4,965	4,902
Non Current Assets	11,185	7,777	6,351	4,198	4,035	3,411	3,720	3,590	2,831
Current Assets	5,695	5,350	5,085	1,792	1,340	1,755	1,607	1,375	2,071
Total current & non-current Assests	16,879	13,127	11,435	5,990	5,375	5,166	5,327	4,965	4,902
















FINANCIAL HIGHLIGHTS



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MAJOR CUSTOMERS

Oil & Gas	Glass	Electronics	Food & Beverages
 Dowell Schlumberger (western) S.A	 Tariq Glass Limited	 Pak Electron Limited	 Nestle Pakistan Limited
 Sprint Oil and Gas	 Ghani Glass Limited	 Orient Electronics Limited	 FrieslandCampina Engro Pakistan Limited
 Attock Refinery Limited	 Balochistan Glass Limited	 Digital World Pakistan	 Big Bird Foods
	 Ghani Global Glass Limited		



MAJOR CUSTOMERS

Chemical & Fertilizer	Pharmaceuticals	Steel
 EPCL Engro Polymers and Chemicals Limited	 Pharmagen Limited	 AISHA STEEL MILLS LIMITED SHAPING THE ECONOMY
 Engro Fertilizers Limited	 SAAKH PHARMA Saakh Pharmaceuticals	 AMRELI STEELS
 Fatima Fertilizer Company Limited Fatima Fertilizers Limited	 GEOFMAN Pharmaceuticals	 Peoples Steel Mills Limited
 FFBL Fauji Fertilizer Bin Qasim Limited Fauji Fertilizer Bin Qasim		 NAVEENA STEEL Naveena Steel Mill



COMPARISON WITH COMPETITOR

Segment Wises Sales	GCIL	Major Competitor
	Rs. In Mn	Rs. In Mn
Gross Sales	6,395	11,957
Net Sales	5,437	10,387
Gross Profit	1,613	2,462
GP Ratio	29.66%	24%
Net Profit	785	422
NP Ratio	14.43%	4%
P/E Ratio	6.19	28.05

Equity Profile-GCIL			
MARKET CAP (000's)	SHARES	FREE FLOT	FREE FLOAT
5,006,881.59	500,187,971	125,046,993	25.00%

Equity Profile-Major Competitor			
MARKET CAP (000's)	SHARES	FREE FLOT	FREE FLOAT
11,964,762.40	87,124,171	21,781,057	25.00%

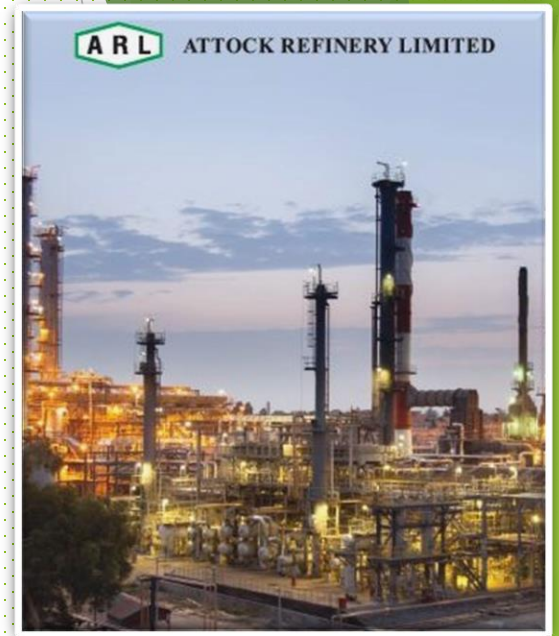


VALUE ADDITION BUSINESSES

Long term contracts

Major contracts signed by GCIL, which is contributing to enhance profitability, liquidity and long term growth:

1. Long Term Supply Agreement with Engro Polymer & Chemicals Limited (EPCL) signed during November 2020 for the Supply of Oxygen and Nitrogen Gases for a period of 15 years.
2. Long term contract established with LOTTE Pakistan on rate running basis.
3. Long term contract with Attock Refinery Limited for supply of Liquid Nitrogen for a period of 05 years.



SCHEME OF ARRANGEMENT

(IN TERMS OF PROVISIONS OF SECTIONS 279 TO 283 OF THE COMPANIES ACT, 2017)

1. Demerger of Calcium Carbide Project from GCIL (as a Transferor) to Ghani ChemWorld Limited (as a Transferee) under Scheme of Arrangement.
2. Transfer of designated assets and liabilities of Ghani Products (Private) Limited (as a Transferor) to Ghani Chemical industries Limited (as a Transferee).



1. Shares of Ghani ChemWorld Limited (GCWL) to be issued to the shareholders of Ghani Chemical Industries Limited (GCIL) and these shares shall be partially redeemable with par/nominal value of Rs. 100/- per share divided into redeemable portion of Rs. 90/- per share and irredeemable portion of Rs. 10/- per share. SWAP ratio is 50 shares (Partially Redeemable Shares) of GCWL against 1,000 Shares of GCIL.
2. Partially redeemable shares of GCWL shall also be listed at PSX

Ghani ChemWorld Limited

Ordinary Shares	Nos. 50,000
Partially Redeemable Shares	Nos. 25,009,395

- 70 million ordinary shares of GCIL (as an additional capital) shall be issued to GCWL.

Shares issuance by GCIL shall be as under:

Ordinary Shares before Impact of the Scheme	Nos. 500,187,971
Additional ordinary shares to be Issued to the shareholders of GPL	Nos. 263,960
Additional ordinary shares to be Issued to GCWL	Nos. 70,000,000
Ordinary Shares after Impact of the Scheme	Nos. 570,451,931



BENEFITS OF THE SCHEME

1. Share of GCIL is trading well below its book value. Management of the Company (GCIL) is confident that separate value of medical/industrial gases segment and calcium carbide project will be higher than the combined value of these two segments in GCIL. Thus separating the “Calcium Carbide Project” from GCIL will create the value for the shareholders;
2. Shareholders of GCIL will get the shares (in the form of partially redeemable shares) of GCWL;
3. Partially Redeemable Shares of GCWL shall carry voting rights (equivalent to the ordinary shares of the Company) and other features as described in the Scheme;
4. GCWL shall be running/operating “Calcium Carbide Project” as an independent strategic business unit responsible for its own decision making which will help to unlock the value of the project in the capital market;
5. As an independent listed entity, GCWL will have power to raise additional funds, if required, from the Capital Market and/or Banking Sector;
6. Shareholders of GPL will also get the ordinary shares of GCIL (as an additional capital) under SWAP ratio. Moreover, shares of GCIL held by GPL will be distributed to the shareholders of GPL;
7. Shares of GCIL (as an additional capital) will be issued to GCWL that will help GCWL to access the revenue stream of already established business;
8. Partially Redeemable Shares of GCWL shall be listed on PSX, thus shareholders of GCIL will have two listed shares i.e. shares of GCIL and partially redeemable shares of GCWL;





 ³ **Ghani Chemical Industries Limited**
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