

# Ghani

**Ghani Glass Limited**

39-L, Model Town Ext., Lahore,  
Pakistan, 54700.  
+92-42-111 949 949,  
www.ghaniglass.com

No.GGL/PSX/2018/20

September 29, 2018

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

Fax: 021-111-573-329

Dear Sir

**FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2018**

We have to inform you that the Board of Directors of **Ghani Glass Limited**, in its Meeting held on Saturday September 29, 2018 at 10:00 A.M at **40-L, Model Town, Lahore** has recommended the following:

(i) **CASH DIVIDEND**

Nil

(ii) **BONUS SHARES**

Nil

(iii) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**

30 % Right Issue at par value of Rs.10 per share

(iv) **ANY OTHER PRICE-SENSITIVE INFORMATION**

Nil



**The Financial Results approved by the Board of Directors of the Company are as follow:**

	2018 Rupees	2017 Rupees
Sales - net	14,417,169,642	13,212,057,738
Cost of sales	<u>(9,922,721,042)</u>	<u>(8,884,003,379)</u>
<b>Gross profit</b>	<b>4,494,448,600</b>	<b>4,328,054,359</b>
General and administrative expenses	<u>(651,675,041)</u>	<u>(578,512,749)</u>
Selling and distribution expenses	<u>(900,675,995)</u>	<u>(773,249,476)</u>
Other expenses	<u>(228,196,309)</u>	<u>(208,947,190)</u>
Other income	<u>298,209,074</u>	<u>83,073,289</u>
	<u>(1,482,338,271)</u>	<u>(1,477,636,126)</u>
<b>Operating profit</b>	<b>3,012,110,329</b>	<b>2,850,418,233</b>
Finance cost	<u>(9,762,457)</u>	<u>(9,528,536)</u>
Share of profit of associate	<u>48,208,146</u>	<u>92,641,510</u>
<b>Profit before taxation</b>	<b>3,050,556,018</b>	<b>2,933,531,207</b>
Taxation	<u>(184,444,670)</u>	<u>(631,250,020)</u>
<b>Profit after taxation</b>	<b>2,866,111,348</b>	<b>2,302,281,187</b>
		<i>(Restated)</i>
Earnings per share - basic and diluted	<u><b>6.93</b></u>	<u><b>6.15</b></u>

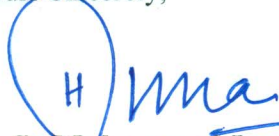
The Annual General Meeting (AGM) of the Company will be held on October 27, 2018 at Lahore subject to the approval of PSX.

The Board has recommended to increase Authorized Capital of the company from Rs.6,000,000,000 divided into 600,000,000 ordinary shares of Rs.10 each to Rs. 7,500,000,000 divided into 750,000,000 ordinary shares of Rs.10 each subject to the approval of PSX.

The Share transfer books of the Company will remain closed from October 21, 2018 to October 27, 2018 (both days inclusive). Transfer received at the office of Shares Registrar M/s. Corplink (Pvt.) Ltd., Wings Arcasde, 1-K, Commercial, Model own, Lahore at the close of business on October 20, 2018 will be treated in time for attending the Annual General Meeting.

The Annual Report of the Company will be transmitted through PUCARS atleast 21 days before holding of Annual General Meeting.

Yours Sincerely,

  
**Hafiz Muhammad Imran Sabir**  
 Company Secretary



CC: The Director, Enforcement, SECP, Islamabad

### PURPOSE OF RIGHT ISSUE

Following the long term strategy of expansion and overall technological up-gradation of the plant, the Company is going to issue 30% right shares at par value of Rs.10 each for the Expansion, BMR and Re-built of furnace of container glass of Pharma segment at Hattar. The Purpose of the Right Issue is:

- Purchase of Machinery and Refractory for the BMR and Re-built of the pharma furnace;
- Capacity and Quality enhancement;
- Strengthening equity base;

### USE OF FUNDS

The proceeds of the right issue would be utilized for the BMR, Re-built of the pharma furnace and replacement of Bottle making machines.

### BENEFITS TO THE COMPANY

- Latest Technological advancement will be achieved;
- Production Capacity will be enhanced and Quality will be improved;
- Market Share will be increased;
- Equity base of the company will be strengthened.

### FINANCIALS PROJECTIONS

	Yr 1	Yr 2	Yr 3
	Rupees in million		
Sales	14,991	15,291	15,597
Cost of Goods Sold	10,344	10,551	10,762
<b>Gross Profit</b>	<b>4,647</b>	<b>4,740</b>	<b>4,835</b>
<b>Net Profit</b>	<b>2,700</b>	<b>2,900</b>	<b>3,100</b>
EPS	4.98	5.35	5.72
Share Capital (Shares)	542	542	542

The above financial projections are based on the perception of the Directors regarding the performance of the company in the current business environment. The Company or its Directors do not accept any liability for investment decision by any person on the basis of the above financial projections

### RISK FACTORS

#### INVESTMENT RISK

There is no major investment risk as the right issue is being offered at par value of Rs.10 per share which is lower than the market price.

#### OPERATIONAL RISK

There is no major operational risk as the company has already been producing container glass in pharma segment.

#### MARKET RISK

There is no major market risk as the company has strong customers network including multinational companies & Export market and dedicated sales force.



### RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS IN THEIR MEETING HELD ON SEPTEMBER 29, 2018 AT 40-L, MODEL TOWN, LAHORE

**“RESOLVED** that approval be and is hereby given to increase the paid up capital of the company from Rs.4,165,712,820 to Rs.5,415,426,666 by issuance of 124,971,384 ordinary shares (*approximately*) to be offered as 30% Right Shares (*30 ordinary shares for every 100 shares held*) in consideration of cash at par value of Rs.10 per share”.

**“FURTHER RESOLVED** that these right shares shall from the date of their allotment, rank *pari passu* in all respect with the then existing fully paid shares of Ghani Glass Limited and the members receiving such shares shall have similar rights and entitlements in respect of the Right Shares as in respect of their previously held shares from the date of allotment.”

**“FURTHER RESOLVED** that the purpose of right issue, benefits to the company, use of funds, risk factors and projections for three years as given below be and are hereby approved.”

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**"FURTHER RESOLVED** that Chief Executive Officer of the company be and is hereby authorized to finalize the banker to right issue."

**"FURTHER RESOLVED** that after finalization of banker to right issue Mr. Imtiaz Ahmad Khan, Chief Executive Officer, Mr. Anwaar Ahmad Khan, Deputy Chief Executive Officer and Mr. Aftab Ahmad Khan, Deputy Chief Executive Officer of the company are singly authorized to operate the Right Issue Subscription Account of the Company."

**"FURTHER RESOLVED** that the Company Secretary in consultation with the Chief Executive Officer be and is hereby authorized to prepare right issue plan, made any amendment thereon and obtain approval of the same from the stock exchange."

**Certified True Copy**  
H *me*  
**For Ghani Glass Limited**

