VIS
Credit Rating Company Limited

GHANI GLOBAL GLASS LIMITED

Analysts:

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RATING DETAILS	
RATINGS CATEGORY	Initial Rating
	Long-term
SUKUK	A-(plim)
RATING OUTLOOK/ WATCH	Stable
RATING ACTION	Initial
RATING DATE	March 5, 2026

Shareholding (5% or More)	Other Information
Ghani Global Holdings Limited – 50.10%	Incorporated in 2007
	Public Limited Company (Listed)
	Chief Executive: Mr. Atique Ahmad Khan
	External Auditor: Crowe Hussain Chaudhary & Co

Applicable Rating Methodology

VIS Entity Rating Criteria Methodology – Instrument Rating
https://docs.vis.com.pk/Methodologies-2025/IRM-Apr-25.pdf

Rating Scale

https://docs.vis.com.pk/docs/VISRatingScales.pdf

Rating Rationale

Ratings reflect Ghani Global Glass Limited's established market position in the pharmaceutical and specialty glass segment, supported by upgraded manufacturing facilities, technological capability, and sustained demand fundamentals. The Company's consistent revenue growth, healthy operating margins, and improving scale underpin its business profile. Financial risk is assessed as manageable, with adequate leverage and debt coverage metrics, supported by strong sponsor backing through related-party funding. The proposed convertible Sukuk predominantly exhibits debt-like characteristics and is therefore assessed and rated as a debt instrument. Ghani Global Glass Limited currently carries a BBB+/A2 rating with a Positive Outlook from PACRA. The credit profile of the proposed Sukuk is strengthened by a corporate guarantee from Ghani Global Holdings Limited, which is rated A-/A2 with a Stable Outlook by PACRA, providing additional comfort to investors and supporting the assigned rating.

Company Profile

Ghani Global Glass Limited was incorporated in Pakistan on October 4, 2007, as *Ghani Tableware (Private) Limited* under the Companies Ordinance, 1984 (now the Companies Act, 2017). In July 2008, the Company converted to an unlisted public company and was renamed *Ghani Tableware Limited*, before adopting its current name, *Ghani Global Glass Limited*, in July 2009. Following a merger with *Libas Textiles Limited*, a listed company, GGGL became publicly listed on the Pakistan Stock Exchange on December 12, 2014, and commenced commercial operations on April 1, 2016.

The Company is primarily engaged in the manufacturing and sale of glass tubes (used as raw material for pharmaceutical packaging), vials (packaging for injectable pharmaceuticals), ampoules, glassware (various industrial and commercial applications), and specialty chemicals (associated with glass processing). GGGL possesses the latest technology and a state-of-the-art manufacturing facility, imported and installed by qualified professionals from European countries. Its registered office is located at 10-N, Model Town Extension, Lahore, while its advanced manufacturing plant operates at 52 KM, Lahore-Multan Road, Phool Nagar, District Kasur.

Sukuk

Ghani Global Glass Limited is proposing the issuance of a perpetual Convertible Sukuk through a right offer to existing shareholders, with an aggregate size of up to Rs. 1.2 billion, aimed at optimizing tax efficient structures. The Sukuk carries a minimum profit rate of 5% per annum, payable annually, with the Board having discretion to declare interim profit. The instrument is convertible into ordinary shares at a fixed conversion price of Rs. 20 per share, with a conversion ratio of 2 Sukuk into 1 ordinary share, and conversion may be exercised upon specified triggering events i.e (i) winding up of the Company, whether voluntary or otherwise; (ii) appointment of a receiver or administrator over all or part of the Company's assets; (iii) the Company's failure to meet its debt obligations as they fall due; and (iv) at the option of Sukuk holders, conversion of the outstanding Sukuk into ordinary shares any time after 12 months from the issue date at the predetermined conversion price. Until conversion, the Sukuk ranks priority over equity but remains subordinated to secured debt, and is secured through a floating charge on current and future assets plus a corporate guarantee from the holding Company, Ghani Global Holdings Ltd. Proceeds will be utilized primarily to retire intercompany debt, strengthening the Company's capital structure. The Sukuk will be Shari'ah-compliant, listed on the PSX (NTS board), and voting rights of Sukuk holders will be equivalent to ordinary shareholders.

The proposed convertible instrument largely exhibits debt-like characteristics and is therefore assessed and rated as a debt instrument. Ghani Global Glass Limited currently holds a BBB+/A2 rating with a Positive Outlook from PACRA. The credit enhancement of the proposed Sukuk is backed by a corporate guarantee from Ghani Global Holdings Limited, which is rated A-/A2 with a Stable Outlook by PACRA.

GGHL's principal activity is the strategic management of investments in its Subsidiary/Associated Companies and trading. The company holds controlling stakes in key subsidiaries, including Ghani Chemical Industries Ltd. (GCIL) (55.96% shareholding) and Ghani Global Glass Limited (GGGL) (50.10% equity). As the main holding company of the Ghani Global Group, the Company relies on its subsidiaries for financial strength. As of FY25, the Group has consolidated assets of PKR 24.8 bn and equity of about PKR 15 bn. The Group's topline reached PKR 12bn, up from PKR 9.3bn in FY24), while profit after taxation rose to PKR 4.2bn, compared to PKR 900mn in the previous year supported by one off gain of PKR 1.9bn.

Management and Governance

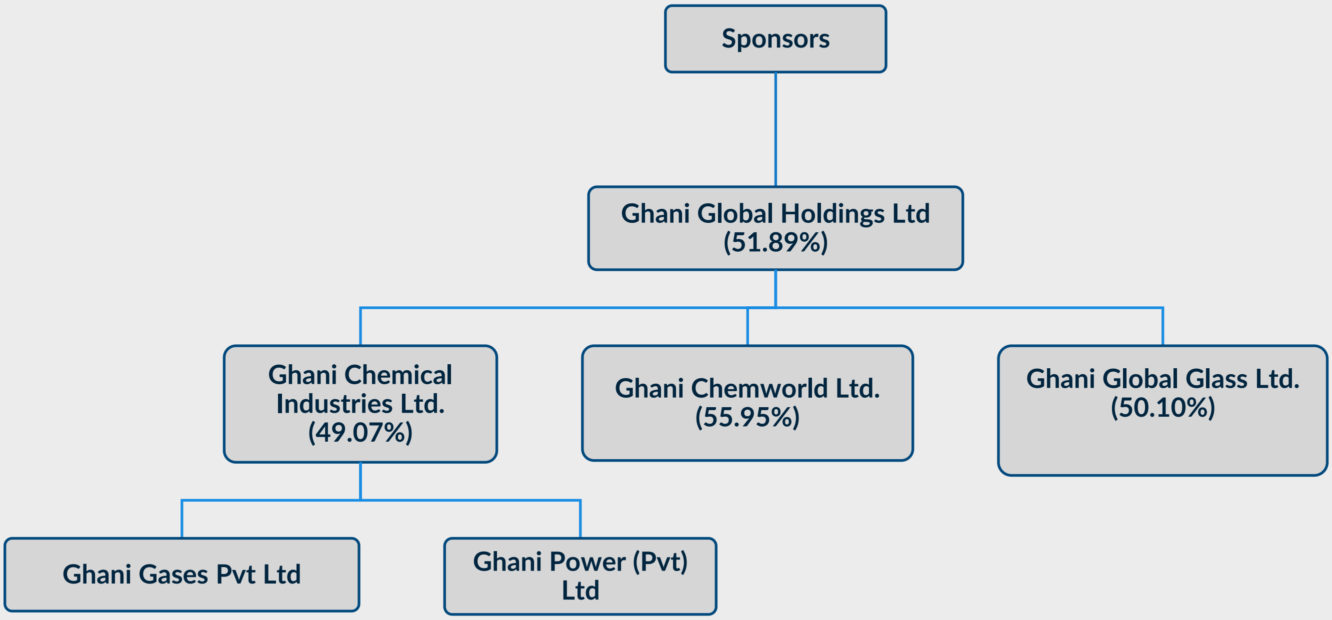
OWNERSHIP/SPONSOR

Ghani Global Glass Limited is majority-owned by its parent company, Ghani Global Holdings Limited, which holds around 50.10% of the shareholding. The remaining stake is widely dispersed among individual shareholders, joint-stock companies, provident and mutual funds, Modaraba firms, financial institutions, executives, and other investors. The Company operates under the wider Ghani Group, which recently streamlined its corporate structure by reorganizing Ghani Gases Limited into Ghani Global Holdings Limited, now the Group's central holding company.

The Ghani Group is one of Pakistan's established and diversified industrial conglomerates, with business interests spanning glass manufacturing, industrial and medical gases, chemicals, and mining. The Group's longstanding market reputation is supported by a strong industrial base. Its core entities include Ghani Global Holdings Limited, Ghani Chemical Industries Limited (GCIL), Ghani ChemWorld Limited (GCWL), and Ghani Glass Limited.

The sponsors directors, Mr. Masroor Ahmed Khan, Mr. Atique Ahmad khan and Hafiz Farooq Ahmed, bring over five decades of entrepreneurial experience across a wide range of industries, including industrial gases, engineering, mining, glass manufacturing, real estate, automobiles, and food. Their diversified track record reflects strong strategic insight, adaptability, and a consistent ability to scale businesses. With a proven history of identifying opportunities, driving innovation, and sustaining growth, they have established themselves as influential leaders with a deep understanding of market and economic dynamics.

The Company is overseen by a seven-member Board, chaired by Hafiz Farooq Ahmad, comprising two independent directors—including one female director—four non-executive directors, and one executive director. The Board's composition provides a balance of sponsor representation, independent oversight, and sector-relevant expertise. As CEO, Mr. Atique Ahmad Khan ensures strategic alignment and effective execution, reinforcing stability within the governance framework.



Crowe Hussain Chaudhury & Co., Chartered Accountants serve as the Company's external auditors. The firm issued an unqualified audit opinion on the Company's financial statements for the year ended June 30, 2025. The auditors are QCR-rated and are also included on the State Bank of Pakistan's panel of approved auditors as **A** rated.

Business Risk

Pakistan's glass industry caters to both commercial and industrial demand and comprises of container glass, float glass, tableware and pharmaceutical glass, serving sectors namely beverages, food, construction, automotive and pharmaceuticals. Pakistan's glass industry maintains a moderate to high business risk profile, balanced by stable long-term demand fundamentals, improving technological capabilities, and increasing focus on capacity expansion, quality enhancement, and export markets, particularly in pharmaceutical and specialty glass product. The competitive landscape is characterized by a small number of vertically integrated major players, while the remainder of the market consists of smaller manufacturers. Demand growth is largely driven by population growth, urbanization, construction activity, and expansion of the pharmaceutical and FMCG sectors. The industry benefits from local availability of raw materials namely silica sand, limestone and soda ash. However, the sector is characterized by high entry barriers due to capital-intensive furnaces, energy requirements, and technical expertise. Consequently, competition is largely confined to existing players, with limited new entrants.

Operations

The Company has undertaken capacity enhancement and operational expansion initiatives to cater to growing domestic and export demand. These include the successful BMR of an existing furnace to increase capacity for Neutral Borosilicate Glass Tubes (USP Type I), expansion of another furnace through the addition of two extra production lines, and the installation of six advanced European ampoule manufacturing machines, lifting ampoule capacity to approximately 55 million units per month. Further capacity strengthening is underway through the induction of high-tech ampoule filling lines and advanced vial manufacturing machines. In parallel, the Company is pursuing geographic expansion, including plans for a new ampoule manufacturing facility in Saudi Arabia under Vision 2030, exploration of African markets, and the establishment of Just-In-Time ampoule production lines at local pharmaceutical clients' sites.

PROFITABILITY

The Company has demonstrated sustained revenue growth, with annual revenues reaching approximately Rs. 2.9 billion at the end of FY25, reflecting an average growth rate of around 25% over the last three years. Export sales, while currently forming a relatively small portion of total revenues, have recorded robust growth, contributing approximately 6% to total revenues in FY25, thereby supporting revenue diversification. Despite persistent cost pressures, the Company has maintained healthy profitability margins, with gross and operating margins averaging around 26% and 21%, respectively, over the last five years. This performance reflects effective pricing, operational efficiencies, and scale benefits. Stringent cost discipline, evidenced by controlled operating expenses and prudent financial management, has further supported earnings. Consequently, net margins improved to around 10% in FY25, however, in the first quarter, margins have been impacted due to rising raw material costs which eroded margins.

Financial Risk

CAPITAL STRUCTURE

The Company has an equity base of approximately Rs. 2.8 billion, which is assessed as moderate relative to the underlying business risk profile. The equity position is further supported by related-party loans amounting to Rs. 1.3 billion, extended to finance the ongoing BMR initiatives and furnace upgradation, underscoring strong sponsor support and financial flexibility. The Company's external debt profile comprises both working capital borrowings and plant and machinery loans contracted to fund recent capacity enhancement and efficiency improvement projects. As at end-September 2025, the Company's leverage and gearing ratios stood at 0.5x and 1.19x, respectively, which are considered adequate and reflective of a balanced capital structure. Going forward, the maintenance of prudent leverage levels, along with continued sponsor support, will remain important to sustain the Company's financial risk profile.

DEBT COVERAGE & LIQUIDITY

Debt coverage remains adequate, with a debt service coverage ratio (DSCR) of 1.23x. A significant portion of debt servicing relates to obligations toward related parties, which provides a degree of comfort from a support perspective. Going forward, coverage indicators are expected to strengthen with the planned replacement of related-party liabilities through a convertible Sukuk, given its relatively lower profit rate. Liquidity metrics are also assessed as adequate, reflected in a current ratio of 1.1x and short-term debt coverage of 2.8x. However, an increase in receivables has been observed, resulting in elongation of the working capital cycle.

Financial Summary

Balance Sheet (PKR Millions)	FY23A	FY24A	FY25A	3MFY26M
Property, plant and equipment	2,532.18	2,522.94	3,065.63	3,039.57
Intangible Assets	19.79	19.79	19.79	19.79
Stock-in-trade	844.96	1,085.96	735.03	891.98
Trade debts	449.91	579.60	904.56	920.64
Cash & Bank Balances	132.08	93.26	170.22	54.62
Other Assets	724.96	917.40	1,310.93	1,390.94
Total Assets	4,703.88	5,218.95	6,206.16	6,317.54
Creditors	103.84	194.07	294.87	257.87
Long-term Debt (incl. current portion)	441.02	400.71	716.71	691.40
Short-Term Borrowings	628.13	730.00	751.07	754.00
Total Debt	1,069.15	1,130.71	1,467.78	1,445.40
Other Liabilities	1,107.29	1,325.71	1,583.32	1,731.74
Total Liabilities	2,280.28	2,650.49	3,345.97	3,435.01
Paid up Capital	2,400.00	2,400.00	2,400.00	2,400.00
Revenue Reserve	23.64	168.46	469.09	493.46
Other Equity (excl. Revaluation Surplus)	0.00	0.00	-8.91	-10.93
Equity (excl. Revaluation Surplus)	2,423.64	2,568.46	2,860.18	2,882.53

Income Statement (PKR Millions)	FY23A	FY24A	FY25A	3MFY26M
Net Sales	2,070.89	2,439.73	2,931.91	785.13
Gross Profit	540.65	549.90	755.45	142.82
Operating Profit	399.00	581.97	696.44	123.44
Finance Costs	266.08	406.71	346.37	83.92
Profit Before Tax	132.92	175.26	350.07	39.52
Profit After Tax	101.87	144.82	300.61	24.37

Ratio Analysis	FY23A	FY24A	FY25A	3MFY26M
Gross Margin (%)	26.11%	22.54%	25.77%	18.19%
Operating Margin (%)	19.27%	23.85%	23.75%	15.72%
Net Margin (%)	4.92%	5.94%	10.25%	3.10%
Funds from Operation (FFO) (PKR Millions)	257.44	215.11	343.44	64.27
FFO to Total Debt* (%)	24.08%	19.02%	23.40%	17.79%
FFO to Long Term Debt* (%)	58.37%	53.68%	47.92%	37.18%
Gearing (x)	0.44	0.44	0.51	0.50
Leverage (x)	0.94	1.03	1.17	1.19
Debt Servicing Coverage Ratio* (x)	1.56	1.25	1.23	1.01
Current Ratio (x)	1.15	1.16	1.10	1.09
(Stock in trade + trade debts) / STD (x)	2.40	2.61	2.64	2.86
Return on Average Assets* (%)	2.32%	2.92%	5.26%	1.56%
Return on Average Equity* (%)	4.29%	5.80%	11.07%	3.39%
Cash Conversion Cycle (days)	207.69	234.71	204.08	182.37

**Annualized, if required*

A - Actual Accounts

M - Management Accounts

REGULATORY DISCLOSURES	Appendix II
Name of Rated Entity	Ghani Global Glass Limited
Sector	Glass
Type of Relationship	Solicited
Purpose of Rating	Sukuk Ratings
Rating History	**Rating Type: Sukuk** **Rating Date** / **Ratings** / **Rating Action** 05/03/2026 / A-(plim) / Initial

Rating History

Rating Date	Ratings	Rating Action
	Rating Type: Sukuk	
05/03/2026	A-(plim)	Initial

Instrument Structure

Instrument Name	**Sukuk**
Nature of Instrument	Long-term
Tenure of Instrument	Perpetual unless converted into Ordinary Shares on triggering events.
Size of the Issue	PKR 1,200 million
Principle Redemption Schedule	NA
Profit Redemption Schedule	Minimum 5% per annum. Payment of profit shall be made by 31st October each year subject to adjustment of interim profit (on debt) paid, if any.
Issue Date	NA
Grace Period	NA
Redemption Date	Not applicable – Sukuk are perpetual unless converted into shares on triggering event.
Nature of Security	Secured
Rating	A-
Name of Trustee	NA

Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.
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Due Diligence Meetings Conducted

S. No	Name	Designation	Date
1	Mr. Shahnawaz Zafar	GM Finance	13th Nov 2025
2	Mr. Asim Mahmud	Director Group Finance	