10 December 2020
Ref: ASL/PSX/0187/2020

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

Subject: Clarification regarding the information circulating in market and social media

Dear Sir,

We are writing this in response to your office letter bearing no.Gen-2349 dated 04 December 2020 wherein you required us to submit explanation on a snapshot circulating in the market and social media regarding closing of new orders' booking by the Company due to excess orders in hand and suspension of production for last few days.

In this connection, this is to clarify that the information regarding Company not taking new orders was circulated only to its authorized dealers and stockists through WhatsApp messaging as a routine business practice and was not meant for the consumption of public in general. Without consent of the Company, one of the stockists disseminated the said internal communication to the public using Amreli's logo without authorization. The management of the Company took this unauthorized act seriously and although the stockist did not do it with any bad intention, a written cautioning notice was served to the respective stockist.

To clarify further, the snapshot in question remained effective only for a day (i.e. 03 December 2020) as from next day, the Company started booking orders as usual. The average sales of the Company per day is about 900 to 1,000 metric tons. The communication, therefore, surrounds only 0.29% of the total estimated annual sales of 350,000 metric tons (1,000/350,000 * 100) which, in our considered opinion is immaterial and hence could not have affected share price of the Company in any way. The communication, therefore, was neither shared with the market participants nor a rebuttal of the snapshot was sent to the bourse.

Regarding your observation on shutdown of the operations, we would like to apprise your good office that each year the plants take a shutdown of ten to fifteen days on account of annual maintenance in the normal course of business as a routine requirement of the production process. You would appreciate that the Company has a track record of timely disseminating all material information to the Pakistan Stock Exchange Limited, which the Company, in its honest judgement considers to be material, in compliance with the requirements of Clause 5.6.1 of PSX Regulations and applicable provisions of the Securities Act, 2015.

We hope that the above has clarified the captioned matter.

Yours Sincerely,

FOR AMRELI STEELS LIMITED

Adnan Abdul Ghaffar
Company Secretary

AMRELI STEELS LIMITED KARACHI

c.c:

The Director/HOD
Surveillance, Supervision & Enforcement Department
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad.

Mr. Maqsood Munshi
Manager Companies and Securities - RAD
Pakistan Stock Exchange Limited
Stock Exchange Building, Karachi.

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