



PAKISTAN REFINERY LTD.

April 08, 2020

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

RIGHT ISSUE OF PAKISTAN REFINERY LIMITED

Dear Sir,

This is with reference to the Right Issue amounting to PKR 3,150 million announced by the Board of Directors of Pakistan Refinery Limited ("Company") in its meeting held on February 10, 2020 ("Rights Issue").

As the entire World has witnessed an unprecedented economic downturn and lockdown due to Novel Coronavirus (COVID-19) pandemic, the global financial markets are under tremendous pressure. This serious downturn has taken its toll on Pakistan's financial sector as well eroding the confidence of investors; as evidenced by the massive erosion in PSX 100 index since March 9, 2020. Unfortunately, this adverse phenomenon coincided with our Right Issue process, with book closure from March 5 to 11, 2020, affecting it negatively. For information, the Company is required to arrange underwriting of 40% of the Right Issue as *inter alia* stipulated in the then applicable Regulation 3(3) of the Companies (Further Issue of Shares) Regulations 2018 but the underwriters are unable to give any commitment based on the prevailing uncertainty and hence the Right Issue is practically on hold.

It is important to note that Pakistan State Oil Company Limited being the parent company with 60% shareholding and all the concerned directors have already deposited amount in designated bank accounts respective to their shareholding. However, considering the aforementioned difficulties in arranging underwriting, which tantamount to a '*force majeure*' situation, the Company had requested Securities & Exchange Commission of Pakistan ("SECP") for the waiver of abovementioned underwriting requirement. Once the Company receives any directive or clarification from SECP, it will inform through PSX and move ahead accordingly.

For the time being, the Company is applying to PSX for one-month extension in the Right Issue process.

Yours truly,

Mustafa Saleemi
Company Secretary