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(Karachi, December 1, 2015): Amreli Steel Chairman, Mr. Abbas Akberali performed the Opening Bell Ceremony at the Karachi Stock Exchange on December 01, 2015 on the occasion of Listing of Amreli Steels Limited (ASL). ASL had offered 74,252,857 ordinary shares, representing 25% of total post IPO paid up capital of the company with 55,502,857 ordinary shares through the Book Building process at a floor price of Rs 24/= per share and 18,750,000 ordinary shares for general public at the strike price determined via Book Building.

The company achieved strike price of Rs. 51/- per share through Book Building, thus raising a total of Rs. 3,786.896 million from Book Building and Public Offer. Talking to the media on the occasion, Chairman of Amreli Steel, Mr. Abbas Akberali said that the principal purpose for raising this long term funding from the capital market is to expand the Company's steel melting capacity from 200,000 tons p.a. to 350,000 tons p.a. and re-rolling mills capacity from 180, 000 tons p.a. to 480,000 tons p.a. The expansion project is expected to be completed in less than two years. Bank Alfalah and AKD Securities acted as joint lead managers and arrangers in this land mark transaction.

Amreli Steels was established in 1972 and was the first to set up an automated rolling mill in Pakistan in 1984. The Company introduced Thermo Mechanical Treatment technology in Pakistan in 2008 and earthquake resistant re-bars in the country in 2009. Additionally, ASL set up the first steel melting shop in the private sector in 2011 with a capacity of over 200,000 tons p.a.

Mr. Abbas further highlighted that the total cost of the current expansion is about Rs. 3.4 billion. It may be noted that in FY15, ASL achieved nearly 100% capacity utilization of the existing plant & facilities with last 5-years sales growth (CAGR) of 30% p.a.

Looking at future demand, ASL is strategically positioning itself to participate in the China-Pakistan Economic Corridor (CPEC) initiative which has an estimated value of over US\$40billion to be spent on energy and physical infrastructure including dams, roads, bridges, ports and pipelines. The World Bank estimates that there is a housing shortage of nine million units which would require 50 million tons of steel, if this gap is to be filled. With Pakistan's per capital consumption of steel amongst the lowest in the world,



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at 19.2kg per capita, the above developments are expected to raise this ratio significantly in the next ten years. The Company is strategically positioning itself to become the partner of choice for the government of Pakistan and the private sector to build and modernize the infrastructure of the country.

On the occasion, Managing Director of the Karachi Stock Exchange stated that the successful IPO of Amreli Steel clearly demonstrated two key things. First, the Governments' economic policy and national action plan are working which has stabilized the economy and contained the deterioration in law and order conditions. This has enabled the private sector to again consider long term investment projects which had been put on hold in the past. Secondly, the successful IPO of Amreli Steels also shows that there is no shortage of funding for good quality and well performing companies when they wish to raise long-term capital in Pakistan for growth. Investors are willing and able to support such corporate initiatives enthusiastically. MD, KSE also stated that while there were five public offers / IPO's in FY13-14, these increased to nine in FY14-15. So far in FY15-16, there have been two IPO's and there are five applications pending or in process of listing with Exchange from diverse Sectors such as Media, Automotive Components, Real Estate, etc.

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