

Our Reference: SEC/PSX/076/20

20 November 2020

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

Dear Sir,

Subject: **Material Information**

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1(a) of the Pakistan Stock Exchange Limited Regulations, Pakistan Oxygen Limited (the "**Company**") conveys the material information set out below.

Further to the Company's letters dated April 26, 2018 and March 18, 2019 with respect to Company's investment plan for setting up the ASU plant, the Company subsequently notified on February 17, 2020 that the said plan would not materialize due to Force Majeure announced by the manufacturer on account of coronavirus pandemic at their manufacturing facility.

We are now pleased to convey that the Board of Directors of the Company in its meeting held on November 20, 2020 has approved an investment plan of about Rs. 6.3 billion to set-up the latest and the most energy efficient Air Separation Unit (the "Plant") in its class. The new state-of-the-art Plant will be sourced from Linde GmbH, Linde Engineering Pullach Germany, and will be capable of producing upto 270 tons per day air separation (ASU) products. The Plant is superior due to higher capacity, better Specific Power Consumption (SPC), product quality, reliability and advanced control system.

The investment will include the Plant and associated storage equipment as required to support the volume growth with existing and new customers. The Plant is expected to come on stream in 2023.

The Company is a leading supplier of industrial & medical gases, pipeline services and welding solutions in Pakistan since 1935. The Company services customers across a wide spectrum of industries ranging from chemical and petrochemical to steel, food and healthcare. With our experienced and professional team and the largest footprint across Pakistan, this new investment in capacity enhancement presents growth opportunities that will contribute to build our legacy of introducing pioneering and sustaining technologies, products and services to local industries.

The Board of Directors is committed for future growth investments in the Company for its continued growth and building value for its shareholders.

Yours truly,



Mazhar Iqbal
Company Secretary

Cc to:

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