



November 17, 2022

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

MATERIAL INFORMATION

Dear Sir,

We are pleased to inform you that the Board of Directors of Beco Steel Limited in their meeting held on November 17, 2022 at 11:30 AM at Head Office, Garden Town, Lahore, has approved the following:

The Board of Directors has approved the feasibility of installing a new automated mill inside Unit 1 due to the high cost of furnace oil, Sui Gas, and imported coal for re-heating MS Billets (previously having one 12 tons furnace which produces billets but now this will be a composite unit). This unit will use hot direct rolling technology to manufacture angle and channel bars, increasing rolling capacity by 4500 per metric tons per month. The company's production capacity and sales volume will increase while saving approximately PKR 15 million per month on Furnace Oil and Sui Gas.

With this expansion, we will be required to purchase local billets from the local market in order to supply our Unit 2. (Guarder mill).

The new mill is expected to cost PKR 400 million and will be completed in April 2023.

Beco Steel Limited currently does not have any bank borrowings. In the best interests of the Company's profitability and shareholders, management is arranging funds through internal sources and a third party at a low interest rate.

We anticipate that the impact of this plant will increase profitability in the fourth quarter, and that we will, inshallah, reach new sales milestones.

Thanking you,

Yours's faithfully,
For **BECO STEEL LIMITED**

(Muhammad Ali Shafique Chaudhary)
Chief Executive Officer

Address

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