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Suhail Jute Mills Limited

(Manufacturers of Hessian Cloth, Twine & Bags)

Ref. No. 002/SEX/701

Dated 25-09-2019

Mr Hafiz Maqsood Munshi
Manager, Companies and Securities Compliance-RAD
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road,
Karachi-74000
PAKISTAN



Dear Sir,

Compliance Deadline

We are in receipt of your letter dated 20 September 2019 under reference PSX/ C521-4675

As we have submitted earlier the Company's ability to clear its outstanding obligations and secure working capital to re-start commercial operations is wholly dependant upon being able to dispose off surplus assets that became available as the consequence of its merger. The machinery for production of Jute products has been rehabilitated and is functional and production can be recommenced as soon as funds become available.

The Company is actively pursuing this objective. It has secured shareholder approval to dispose of part of the Land through a special resolution and has received expressions of interest from a number of parties. The information provided in the Notice to shareholders has specified the use of proceeds, including the application of funds towards fulfilling the working capital requirement. However, due to the restriction on the end-use of the Land, the administrative process involved is lengthy and the interested buyers are in the process of getting the requisite permissions and clarifications. Despite our best efforts, it has not been possible to materialize the transaction within the planned time-frame, As such, the Company has not yet closed a transaction and received funds, which would be essential to practically implement its plan.

Head Office:- 14-B.Civil Lines, P.O. Box No. 341, Rawalpindi (Pakistan).
Mills :- Kabul River Railway Station, Mardan Road, Nowshera, N.W.F.P

26/9/19

We are unable, at this time, to lay out the exact timing of this effort but it is expected that it can be achieved within a six-month time frame, after which it is intended to re commence commercial production of Jute goods, to the extent that it is viable.

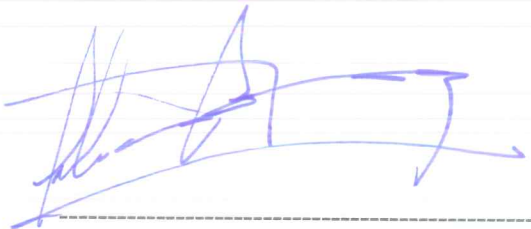
As we have submitted earlier, any precipitate action would be to the detriment of the shareholders and it is requested that a one year time frame be given to us to ensure active compliance of the PSX regulations. We shall be pleased to provide you with periodic progress reports of the process to resume commercial production.

As you are aware, the Company has not generated any funds since the shutdown of its production facilities and the entire funding required to sustain the company and keep it in existence, has been borne by its principal shareholder. Moreover, the Company has obligations to financial institutions and It has to first clear these outstanding dues once funds are generated from a resumption of commercial activity.

We thank you for your assistance in this matter and look forward to your most sympathetic consideration of our submissions.

Yours Truly

for, Suhail Jute Mills Limited



SOHAIL FAROOQ SHAIKH
CHIEF EXECUTIVE