

No: SPLC/PSX/Progress Report /2023/0032

Dated: January 3, 2023

Hafiz Maqsood Munshi
Head - Listed Companies Compliance Department –RAD
Pakistan Stock Exchange Limited (PSX)
Karachi

Through PUCARS

SUBJECT: PROGRESS REPORT FOR QUARTER ENDED DECEMBER, 2022

Dear Sir,

This refers to your letter Ref. No. PSX/Gen-2597 dated December 30, 2022 on the captioned subject.

In this connection it is submitted that during the reporting period the company could make recovery of an amount of PKR 1.9 million (PKR 46.335 during July-December 2022) despite all possible efforts due to present critical circumstances of the Company and in the backdrop of the existing scenario of the company due to cancellation of its license by the SECP and suspension of trading on 24.03.2022 by the PSX viz-a-viz; chances of de-listing, the process of recovery despite all out efforts on part of the management and recovery phase is slower. The debtors/ defaulters are showing very non-cooperative and cold response. However, all possible efforts are being made by resorting to vigorously following and expediting Court proceedings as well as we are trying our level best for out of court settlement with the defaulters to reach at an amicable and reasonable compromised stage through negotiations. For out of Court settlements 5 defaulters are in verbal negotiation for payment of PKR. 116 million and if the reasonable settlements could be materialized the same will be submitted for Board approval and it is expected that it might reduce the negative equity significantly.

Meanwhile, the company (SPLC) is willing to pay off Individual COI and TFC holders and an advertisement to this effect has been published in the newspaper besides disseminating this information through PUCARS and company's website.

We have been informed by M/s. Ansari Brothers Pvt. (Prospective buyer of 35% shares owned by SAPICO)) through their Manager to the Offer has withdrawn their public announcement to acquire 15,835,403 ordinary shares (35.06% of the total ordinary shares) and 33,320,840 preference shares (63.08% of the total preference shares) to become major shareholder of the Company (SPLC) vide their letter dated 2nd December, 2022 and made again Public announcements of their intention to acquire the same stake in SPLC and become major shareholder of the company (SPLC) vide their letter dated December 5, 2022, both these letters were addressed to the MD, PSX, Karachi and ED, SECP, Islamabad, under intimation to us.

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*Fatima/Reed
6/1
Ali Akbar
Pls circulate
6/1*

6/1/23

Accordingly we have already displayed these letters along with the copies of their respective advertisement in national news papers on PSX web-site through PUCARS.

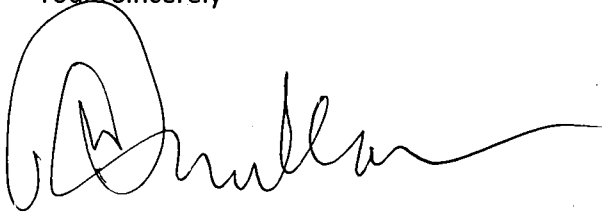
We have noted your kind instructions to address the non-compliances at the earliest possible, however, due to prevailing business and economic slow-downs throughout the country and even world-over in wake of ongoing economic conditions which are seriously impacting the business environment in Pakistan and other developing countries, has simultaneously created yet another force majeure situation. We are trying our level best even in prevailing adverse circumstances to address the issues as highlighted by the PSX vide PSX Regulation 5.11.2(b) as early as possible.

It is worth mentioning here that despite all business hurdles, this company has been able to reduce its liabilities (negative equity) from PKR 1 billion in June 2012 to PKR 622 million in December 2022) besides fulfilling all compliance requirements.

We assure you timely compliance of all the PSX Regulations with due diligence in future.

Please acknowledge receipt of this letter.

Yours Sincerely



AhsanUllah Khan
CEO/MD

Copy for information to:-

- The Chief Regulatory Officer- PSX, Karachi.
- The Director, CSD, SECP, Islamabad.