

January 27, 2022

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

Disclosure of Material Information

Dear Sir,

Crescent Star Insurance Limited (CSIL) which is a major stake holder in Dost Steel Limited (DSL), has issued a Letter of intent to DSL for injecting an equity of Rs.1 billion in DSL against issue of additional shares by way other than Right.

The letter of intent is attached.

You may inform the members accordingly

For Crescent Star Insurance Limited



Naim Anwar
Managing Director & CEO

January 27, 2022

The Chairman,
Board of Directors,
Dost Steel Limited,
Lahore.

RE: LETTER OF INTENT

This letter of Intent is to provide a written expression of interest of Crescent Star Insurance Limited (CSIL) (including nominees) to invest 1 billion in the equity of the Dost Steels Limited (DSL) on the terms and conditions set forth.

The proposal is as follows.

PROPOSED TRANSACTION

1. It is proposed that CSIL (including nominees) will invest an amount of Rs.1 billion in the equity of DSL against which CSIL will be issued additional 222,222,222 Ordinary Shares of the face value of PKR 10/- each by way of otherwise than right shares to be issued at an issue price of PKR =4.50= per share (at a discount of 45% to par value) under the provisions of section 82 and 83 of the Companies Act, 2017 (the "Act") subject to the approval of the shareholders of DSL and the Securities and Exchange Commission of Pakistan (SECP).
2. Enhance the paid up capital and authorized capital of DSL by at least 1 billion, for which all necessary compliances and applications will be made including approval of shareholders.

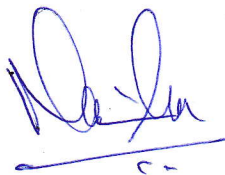
DEFINITIVE AGREEMENT

The definitive agreements will be structured which will include customary covenants, conditions and warranties. There may be additional elements for negotiation and inclusion.

GOVERNING LAW

This letter shall be governed by the laws of the State of Pakistan.

For Crescent Star Insurance Limited



Naim Anwar
Chief Executive Officer