

DSL/PSX/02/2022/

10 February 2022

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

Dear Sir,

ANNOUNCEMENT OF OTHER THAN FINANCIAL RESULTS

We would like to inform you that the Board of Directors of Dost Steels Limited ("the Company") in their meeting held at 2:30 p.m. on Wednesday, 09 February 2022 have recommended the followings:

1. **Cash Dividend: Nil**
2. **Bonus Shares: Nil**
3. **Right Shares: Nil**
4. **Any other Corporate Action:**

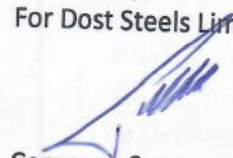
The board has discussed and resolved as under:

- 1) The board has reviewed the letter of intent (LOI) received from CSIL including nominees dated 27 January 2022 and unanimously resolved that the subject LOI is an unsolicited bid and does not meet the criteria of a credible and wholesome plan for the revival of the DSL operations, that include the settlement of defaulted bank liabilities [in excess of 1.59Billion], other creditors [of over PKR 700Million] and working capital [of PKR3 to 4 Billion] depending on the level of operations. Therefore, the said LOI is rejected.
- 2) The board also reviewed the agenda attached to the CSIL letter dated 28 January 2022 and resolved that the agenda is in total violation of the companies act, 2017 and relevant regulations as any further issue of capital by way of discount must be first approved by the Board of Directors before it is placed for the approval of shareholders of the Company. Therefore, the said agenda need not to be placed for discussion in the upcoming EOGM.
- 3) The board discussed that CSIL being a regulated entity, licensed by the SECP to undertake the business of general insurance services, which may not be allowed to concentrate its entire resources for investment in a single entity or group of businesses in a certain sector. The board also discussed that the creditors of CSIL have also filed a winding up petition of CSIL keeping in view the illiquid position of CSIL, it appears that it will not be able to settle the said creditors and this may lead to winding up order. The board resolved that SECPs insurance division be informed to take notice concerning CSIL making investments in projects without any solid plan resulting in stuck up investments.

- 4) The board reviewed the penalty order by SECP of PKR 1 Million on CSIL on account of non-demonstration of due care and professional skill on 10 November 2020. The board resolved that the PSX and SECP be kindly requested to stop and thwart the malicious and disruptive plans of Mr. Naim and CSIL to derail the DSL revival proposal brought forward by the directors of the company after a long and tiring struggle of more than 2 years.
- 5) The board discussed the matter in respect of salaries (past unpaid and future) of all executive directors of the company and resolved that none of these directors will be entitled to any future salaries from the company, whereas their past unpaid salaries since 1 July 2019 shall be written off up to [60%] till date.
- 6) The board discussed reconstituting the Board of Directors and resolved to appoint Mr. Jamal Iftakhar as the chairman of the Board. The board gives thanks to Mr. Shahab for his tenure as chairman of the Board.

Since the Company has not declared any payouts, therefore no book closure is required

Yours truly,
For Dost Steels Limited



Company Secretary

c.c to:- Executive Director
Enforcement and Monitoring Division
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Islamabad