

Zahur Cotton Mills Ltd

55 C/1, Gulberg-III, Lahore. Pakistan

17 August, 2022

Hafiz Maqsood Munshi
The Manager
Companies and Securities Compliance-RAD
Pakistan stock Exchange Limited,
Stock Exchange Road,
Karachi-74000

Progress report under section clause 5.11.2(b) of PSX Regulations- Zahur Cotton Mills Limited ("ZHCM" or "the Company")

Dear Sir,

In compliance with PSX regulation 5.11.2(b), we hereunder submit the progress report of the Company:

Due to challenging macro-economic and socio-political situation of the country, the Company decided to explore other sustainable business opportunities requiring relatively lesser amount of working capital. To redeem the Company operations with new business opportunities, the shareholders of the Company in their meeting held on 03 March 2022, approved an alternative business plan as per which the Company will commensurate business of warehousing, logistics and supply chain management.

Initially it was decided that the management of the Company will arrange duly required funds to finance working capital of the Company. The initial discussions with financial institutions have already been started, but unfortunately due to instability of KIBOR rates and abnormal hikes in inflations, the progress in realization of funds is little slower which is quite understandable. Moreover, the Sponsors of the Company have planned to bring some partner (local/foreign) to bridge the fund requirement and fast track the business redemption of the Company in true spirit.

We expect your usual support and corporation to bring the Company back to normal trading counter and shall inshallah regularly apprise the Exchange for further development in the monthly progress report going forward.

Yours truly,

For Zahur Cotton Mills Limited

Javed Zahur
Chief Executive Officer

