

Ref: DSL/PSX/01/23/001
Mr. Hafiz Maqsood Munshi,
Head- Listed Companies Compliance,
Pakistan Stock Exchange Limited
Karachi.

02 January 2023

Subject: Quarterly Progress Report on Measures for Resume Commercial Operations

Dear Sir,

We refer to your letter No PSX/C-1118-2290 dated 22 November 2022 and followed by letter No PSX/ Gen-2597 dated December 30, 2022 by Assistant Manager, Listed Companies Compliance, with respect to measures taken for commencement/ resumption of commercial production of the company. We would like to inform you that the company has been trying since the last many months to get new investor group to join the management of the company to restart the commercial production. In this regards SECP permission is needed and an application to SECP has already been given on 15 April 2022. However Crescent Star Insurance Limited ("CSIL") has filed certain comments to SECP and our said application is pending disposal. In addition, these issues are also under litigation (In Lahore High Court) between CSIL and the company are also to be settled.

SECP has advised the company to resolve all the issues including pending litigations with CSIL before the company's application will be considered. The company is making efforts to coordinate the different pending issues in parallel with the new investor group and CSIL. However, these efforts are being hampered due to the extremely difficult economic and foreign exchange situation prevailing in the country. It is anticipated that the company will be able to reach a reasonable resolution of pending issues and an amicable solution will be arrived. We are still hopeful that once, after the approval from SECP, group of investors are on board the company should achieve commercial production once again and its name will be removed from default counter at PSX.

Thanks

Regards
For Dost Steels Limited



Company Secretary

CC: (1) Miss Fatima Azmat- Assistant Manager, Listed Companies Compliance PSX
(2) The Director (CSD)- SECP
(3) The Chief Regulatory Officer- PSX