

Ref: DSL/PSX/04/23/001
Mr. Hafiz Maqsood Munshi,
Head- Listed Companies Compliance,
Pakistan Stock Exchange Limited
Karachi.

04 April 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, with respect to measures taken for commencement/ resumption of commercial production of the company. We hereby inform you that there is no major change in the situation, as described in our previous letter dated 02-01-2023 regarding the captioned subject that:

"The company has been trying to get new investor group to join the management of the company to restart the commercial production. In this regard the 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 which 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, management's efforts are continuing for arriving on amicable solution to restart commercial production despite an extremely difficult economic and foreign exchange situation prevailing in the country whereby steel producers are not able to import scrap and therefore shortage of scrap in the market. It is anticipated that the company will reach a reasonable resolution of pending prevailing issues and an amicable solution will be found. We are still hopeful that once, after the approval from SECP, the group of investors who are in talks with the company can achieve commercial production once again and it 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