



Gulistan Spinning Mills Ltd

2nd Floor , Finlay House ,I.I Chundrigarh Road,
Karachi (Pakistan)

October 12, 2026

Mr. Muhammad Shariq Hussain
Assistant Manager, Listed Companies Compliance
Regulatory Affair Department
Pakistan Stock Exchange,
Karachi.

In Re: **PROGRESS REPORT**

This is with reference to your letter No. PSX/Gen-1182, dated 02.10.2026, on the captioned subject.

We wish to inform you that the Company is a non-operational entity and is subject to a Scheme of Arrangement under Section 279 of the Companies Act, 2017, duly sanctioned by the honorable High Court of Sindh at Karachi. Prior to sanction of the said Scheme, the secured creditors and shareholders approved the Scheme, in the meetings held under the chairmanship appointed by the Court, covering sale of all assets of the Company for settlement of its existing liabilities.

Pursuant to the Scheme, all assets of the Company are being sold under the supervision of the Asset Sale Committee for the settlement of existing liabilities to secured creditors. The Scheme is being implemented in accordance with its terms. The Asset Sale Committee has commenced the sale of the Company's assets, and the proceeds from the sale are being distributed by the Agent Bank, among the secured creditors on a pari passu basis. As a result, the Company shall not have any assets. During the quarter ended 30.09.2026 no measures could be taken for commencement or resumption of commercial production or business operations.

Without prejudice to the foregoing, and in compliance with your directions, the Company has submitted the Quarterly Progress Report for the quarter ended September 30, 2026 through PUCARS, reflecting the current non-operational status of the Company.

We trust the above clarifies the matter.

Yours truly,


Company Secretary





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Karachi (Pakistan)

QUARTERLY PROGRESS REPORT [Under PSX Regulation 5.11.1(b)]

Name of Company: Gulistan Spinning Mills Ltd.

Reporting Period: Quarter Ended 30.09.2026

Status: Non-Operational

Status of Operations

The Company remained non-operational during the quarter under review.

Background

The Company is subject to a Scheme of Arrangement under Section 279 of the Companies Act, 2017, duly sanctioned by the honorable High Court of Sindh at Karachi. Prior to sanction of the said Scheme, the secured creditors and shareholders approved the Scheme, in the meetings held under the chairmanship appointed by the Court, covering sale of all assets of the Company for settlement of its existing liabilities.

Progress During the Quarter

During the quarter under review:

- No commercial production or business operations were carried out;
- The Scheme of Arrangement is being implemented in accordance with its terms;
- All assets of the Company are being sold through the Asset Sale Committee constituted under the Scheme, and the sale proceeds are being distributed by the Agent Bank, among the secured creditors on a pari passu basis as full and final settlement of the Company's financial obligations;
- There was no material change in the operational status of the Company as reported in the previous quarter.

Measures Taken for Commencement / Resumption of Business

No measures could be taken for commencement or resumption of commercial production or business operations. However, the Company will evaluate strategic options for the future, subject to regulatory approvals and availability of resources.

Future Outlook

In view of the existing circumstances, the Company does not currently envisage commencement or resumption of commercial production or business operations. Any material development, if any, shall be disclosed to the market in accordance with applicable laws and PSX Regulations

Compliance Statement

This Quarterly Progress Report is being submitted in compliance with PSX Regulation 5.11.1(b) for dissemination to market participants.

Company Secretary

