



August 05, 2025

Mr. Hafiz Maqsood Munshi
Unit Head, Listed Companies Compliance
Regulatory Affairs Department
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi.

Subject: Reply to Show Cause and Hearing Notice under Regulation 5.6.3 of the PSX Rule Book – Unusual Movement in the Price of Shares

Dear Sir,

We refer to your Show Cause and Hearing Notice Ref. No. PSX/Gen-1480 dated July 29, 2025 regarding the unusual movement in the price and/or trading volume of the shares of [Sally Textile Mills Limited] (the "Company"), observed on 24th July 2024 to 12th August 2024.

We would like to submit the following for your kind consideration:

- 1. Company's Position**
The Company acknowledges the recent movement in its share price and volume; however, we wish to confirm that, to the best of our knowledge and belief, there has been no undisclosed material information or development that could have caused or contributed to such movement. The Company has not made any public announcements or corporate actions during the relevant period that would explain the unusual trading pattern.
- 2. Compliance with Regulation 5.6.1 and 5.6.3**
We confirm that the Company remains fully committed to complying with Regulation 5.6.1 regarding the timely disclosure of material information. In line with Regulation 5.6.3, we have reviewed all internal communications and board-level decisions during the relevant period and confirm that there has been no selective disclosure or leak of any price-sensitive information.
- 3. Possible Market Speculation**
The observed volatility may be attributed to speculative trading or market rumors, over which the Company has no control. However, we remain vigilant and are monitoring the situation closely. Should any material information arise, we will ensure immediate disclosure in accordance with PSX and SECP regulations.
- 4. Internal Controls and Corporate Governance**
The Company has in place strict internal controls and policies related to insider trading, information security, and regulatory compliance. Our Code of Conduct and



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Corporate Disclosure Policy are regularly reviewed and communicated to all relevant personnel.

5. **Nomination of Authorized Representative**

We hereby authorize **Mr. Syed Abid Raza Zaidi**, [Company Secretary / Director], to appear on behalf of the Company at the scheduled hearing and to represent and respond to any queries raised by the PSX in connection with this matter. He is fully conversant with the facts of the case and is empowered to provide clarifications and make submissions as required.

6. **Commitment to Compliance**

We remain fully committed to cooperating with PSX and any other regulatory body to address this matter in a transparent and responsible manner. If further clarification or documentation is required, we will provide the same at the earliest.

In view of the above, we respectfully request that the Show Cause proceedings against the Company be disposed of, and the matter be closed.

We look forward to the hearing on [Monday, August 04, 2025 at 3:30PM], where Mr. Zaidi will appear as our authorized representative.

Yours faithfully,

For and on behalf of
[Sally Textile Mills Limited]


Authorized Signatory